

The Rooseveltian brand of peace, backed by the power of America to maintain it, represents an attitude of national defense and security preparedness which will never be willingly forsaken by the people of this country. The United States Navy stands as the chief reliance of the American people, and the main assurance against aggressions that provoke war.

There never has been a time in this Nation's history when the United States Navy meant more to the people than it does now. There has never been a time when more dangerous pacifist propaganda has been directed against the Navy by misguided dupes and cunning foreign internationalists, who are shrouding their operations in the white cloak of idealism and world peace.

The drive against American naval power is directly in line with the lessons which come down through the centuries. Sea power and commercial supremacy go hand in hand, and a weakening of one means the weakening of the other. America is rapidly rising to a position of commercial supremacy, despite all that foreign competitors can do to check her. A Navy adequate to protect and defend American commerce is the only agency that can maintain the United States in its rightful position among the nations of the world.

America's colossal and ever-increasing economic energy is expressing itself in overseas trade, which means commercial supremacy. It is idle for any nation or nations to attempt to stem the tide. But every statesman who has not been blind to history knows that commercial supremacy is dependent upon naval protection. If America can be duped into abandoning protection for its commerce on the high seas, or can be tricked into pooling its naval resources with other powers, there may be a real opportunity in the near future for crippling the commerce that is enriching America and arousing the envy of foreign rivals.

"The fleet's the thing," according to one of Theodore Roosevelt's slogans, and it applies with more force than ever to-day. Americans are not ready to accept the humiliation of seeing the seas controlled by foreign powers so that America's commerce must beg for permission to venture offshore.

Adequate naval security means protection for American commerce, and this in turn means that the United States will not be forced into war to maintain its rights. The American negotiators at the London naval conference, if there should be a conference, must keep before them the faithful promise of President Hoover to the people, to the effect that the national defense shall not be impaired by any agreement bearing the signature of America's negotiators.

[From the Chattanooga Times, October 28, 1929]

REMEMBER THE NAVY

This is Navy day, and the occasion should be widely and appropriately observed. This suggestion, and even the day itself, may at first thought seem somewhat out of place, in view of the fact that the principal nations of the world are preparing for a naval armament reduction conference, for the calling of which the United States is in large part responsible. But a little reflection ought to convince reasonable, practical citizens that the approaching conference gives this year's Navy day greater significance than it would ordinarily have.

Common sense dictates that America's representatives go to the London conference backed up by a practical, reasoned public attitude on the subject of naval armaments rather than by a hysterical demand for disarmament. The latter would accomplish nothing in the present state of world opinion, while the former might result in much good. The obviously sound program for this country is that expressed at the Washington arms conference in the following words: "We approve limitation of armaments by international agreements. We repudiate the reduction of armaments by example as unwise and dangerous."

This is understood to be the attitude of the Government at Washington. Together with the idea of parity, it should be supported wholeheartedly. It is in no sense a repudiation of the idealism of the Kellogg antiwar treaties or of the assumptions of President Hoover and Premier MacDonald that there will never be another war between the United States and Great Britain. It is the basis of a practical program for the incorporation of this idealism in the lives of nations, which should be more easily effected by reason of the treaties and assumptions.

So a proper observance of Navy day is entirely in order. Considering all the circumstances, it is even incumbent upon the American people, if they would look to their own best interests. Acquisition of a fuller understanding of the purposes of their Navy and its meaning to the Nation would be a protection against the folly of those who advocate disarmament by example and should also further the cause of naval reduction by international agreement.

[By cable to the Star, November 5, 1929]

PEACE "DAMPER" EXPLAINED—SUDDEN ACTION OF BRITISH CABINET IS REVEALED FOR FIRST TIME

By Paul Scott Mowrer

PARIS, November 5.—It is now possible to reveal, owing to a partial indiscretion of the Echo de Paris, what heretofore has been a strict

secret known only to a few diplomats and one or two journalists—the story of the British Cabinet meeting which put a sudden damper on the supposed results of the conversations between President Hoover and Premier Ramsay MacDonald at Rapidan.

It will be recalled that an announcement was made at the close of those meetings that an important statement was about to be made. British journalists went so far as to announce that this statement would concern the freedom of the seas. It is certain, in fact, that Hoover and MacDonald had reached a tentative agreement on this vexed question. The exact details are unknown, for MacDonald will not give a detailed explanation to his cabinet until to-morrow.

GREAT BRITAIN'S OFFER

But whatever the American contribution to the bargain may have been, it appears that Great Britain's offer was to abandon the right of search and seizure of neutral vessels carrying contraband on the high seas and to dismantle naval bases not only in the West Indies, but at Halifax and Esquimalt.

Before issuing the joint statement, however, MacDonald thought it best to inform London.

A full cabinet meeting was immediately called, including the heads of the three fighting arms, on air, land, and sea.

Arthur Henderson read the Premier's cablegram and added that he would be unable to agree to abandon the right to search and seizure until he knew more details of the views of the United States.

Alexander, speaking for the Admiralty, said that he was unable to agree to the dismantling of the bases which, in his opinion, if the Kellogg pact meant anything, would be quite unnecessary.

BIG NAVAL BUDGET

Questioned by Philip Snowden, Chancellor of the Exchequer, Alexander said that even after the agreement with the United States the naval budget, now about \$280,000,000, would still be around \$265,000,000 or \$270,000,000.

After this discussion it was decided to cable MacDonald to say nothing about these matters until after he returned to London and gave the cabinet fuller particulars.

Thus is explained not only the delay in issuing the Hoover and MacDonald joint statement, but the general surprise, after so much was promised, that it should contain so little in the way of concrete promises.

RECESS

Mr. JONES. I move that the Senate take a recess until 10 o'clock to-morrow morning.

The motion was agreed to; and the Senate (at 5 o'clock and 50 minutes p. m.) took a recess until to-morrow, Wednesday, November 6, 1929, at 10 o'clock a. m.

SENATE

WEDNESDAY, November 6, 1929

(Legislative day of Wednesday, October 30, 1929)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

Mr. FESS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fess	Johnson	Schall
Ashurst	Fletcher	Jones	Sheppard
Barkley	Frazier	Kean	Shortridge
Bingham	George	Kendrick	Simmons
Black	Gillett	Keyes	Smith
Blaine	Glass	La Follette	Smoot
Blease	Glenn	McKellar	Steck
Borah	Goff	McNary	Stelwer
Bratton	Goldsborough	Metcalf	Stephens
Brock	Gould	Moses	Swanson
Brookhart	Greene	Norbeck	Thomas, Idaho
Broussard	Hale	Norris	Thomas, Okla.
Capper	Harris	Nye	Townsend
Connally	Harrison	Oddie	Trammell
Copeland	Hastings	Overman	Tydings
Couzens	Hatfield	Patterson	Vandenberg
Cutting	Hawes	Phipps	Wagner
Dale	Hayden	Pine	Walcott
Deneen	Hebert	Ransdell	Walsh, Mass.
Dill	Heflin	Reed	Waterman
Edge	Howell	Sackett	Wheeler

Mr. NORBECK. I wish to state that the junior Senator from South Dakota [Mr. McMASTER] is unavoidably detained by illness in his family. I wish this announcement to stand for the day.

Mr. SHEPPARD. I wish to announce the unavoidable absence of the junior Senator from Utah [Mr. KING], due to illness. I also wish to state that the Senator from Arkansas [Mr. CARAWAY] and the Senator from Montana [Mr. WALSH] are absent on official business.

Mr. SCHALL. My colleague [Mr. SHIPSTEAD] is absent, ill. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Eighty-four Senators have answered to their names. A quorum is present.

PETITIONS

Mr. FESS presented petitions of sundry citizens of Cleveland, Ohio, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. SHORTRIDGE presented petitions of sundry citizens of the State of California, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. COPELAND presented petitions of sundry citizens of the State of New York, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

REPORTS OF NOMINATIONS

Mr. BORAH, as in open executive session, from the Committee on Foreign Relations, reported the nominations of sundry officers in the Diplomatic and Foreign Service of the United States, which were ordered to be placed on the Executive Calendar.

Mr. PHIPPS, as in open executive session, from the Committee on Post Offices and Post Roads, reported sundry postal nominations, which were ordered to be placed on the Executive Calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

A bill (S. 1212) granting an increase of pension to Cordelia Small (with accompanying papers); to the Committee on Pensions.

By Mr. BORAH:

A bill (S. 2013) for the relief of Germaine M. Finley; to the Committee on Foreign Relations.

A bill (S. 2014) to extend the benefits of the World War veterans' act to Alice B. Yeaman; to the Committee on Finance.

By Mr. McNARY:

A bill (S. 2015) to amend the migratory bird treaty act with respect to bag limits and more effectively to meet the obligations of the United States under the migratory-bird treaty; to the Committee on Agriculture and Forestry.

By Mr. HARRIS:

A bill (S. 2016) for the relief of Mrs. E. J. McCardle; to the Committee on Claims.

By Mr. SHORTRIDGE:

A bill (S. 2017) providing for the appointment of Julia Johnston as a warrant officer, Quartermaster Corps, United States Army; to the Committee on Military Affairs.

A bill (S. 2018) authorizing the appointment and retirement of Walter W. Fanning as a chief petty officer, Naval Reserve; to the Committee on Naval Affairs.

By Mr. COPELAND:

A bill (S. 2019) to admit Vincenzo Caprio permanently to the United States; to the Committee on Immigration.

A bill (S. 2020) granting an increase of pension to Thomas Armstrong; to the Committee on Pensions.

By Mr. WHEELER:

A bill (S. 2021) granting a pension to Alvin M. Davis; to the Committee on Pensions.

INVESTIGATION OF COTTON INDUSTRY

Mr. SHEPPARD. Mr. President, I present a resolution which was presented at the annual meeting of the Texas Farm Bureau Cotton Association by Judge L. Gough, of Amarillo, Tex., an earnest and able student of the farm situation, and ask that it may be printed in the RECORD and lie on the table.

There being no objection, the resolution was ordered to lie on the table and to be printed in the RECORD, as follows:

The Texas Farm Bureau Cotton Association in annual meeting assembled, in May, 1929, passed the following resolution:

"Whereas the slump in cotton prices in 1926 did untold damage to not only the cotton growers but to the whole country and that no satisfactory cause for this drastic slump has ever been given: Therefore, be it

"Resolved, That we instruct our United States Senator MORRIS SHEPPARD to introduce and put through the Senate the following resolutions.

"Resolved, That the Secretary of Agriculture through the Grain Futures Administration is hereby directed to investigate the cause of the 1926 decline in cotton and give us (1) the amount of cotton futures sold in 1926; (2) the amount of short selling when the drastic

slump occurred and who did this short selling and the effect this heavy short selling had on prices and any other information that will enable the farmer to know the true state of the conditions and the parties responsible for this decline; also a like investigation for 1927 and 1928, giving us the amount of short selling and the amount of public participation induced to take part in these futures and whether or not a majority of the public lost or won on the deals."

Mr. SHEPPARD. Mr. President, pursuant to the action of the Texas Farm Bureau Cotton Association, I submit a resolution, which I ask may be read and lie on the table.

The resolution (S. Res. 149) was read and ordered to lie on the table, as follows:

Resolved, That the Secretary of Agriculture is hereby requested and directed to investigate through the Grain Futures Administration the cause of the 1926 decline in cotton, ascertaining the amount of cotton futures sold in 1926, the amount of short selling when the drastic slump occurred, who did this short selling, and the effect of this heavy short selling on prices, and any further information which will enable the farmers to know the true state of conditions and the parties responsible for this decline; also to make a similar investigation for 1927 and 1928, giving the amount of short selling and the amount of public participation induced to take part in these futures and to ascertain whether or not the majority of the public lost or won on the deals, and to report this information to the Senate.

THE COLORADO RIVER CONTROVERSY

Mr. HAYDEN. Mr. President, on Thursday, October 31, 1929, there appeared in the Arizona Republican, a newspaper printed in Phoenix, Ariz., an article summarizing a statement issued on the previous day by the Arizona-Colorado River Commission respecting its decision to appeal to the courts for a settlement of the Colorado River controversy. I ask unanimous consent to have printed in the CONGRESSIONAL RECORD that newspaper article and the complete text of the statement.

There being no objection, the matter was ordered to be printed in the RECORD as follows:

ARIZONA SUIT READY FOR FILING—COMMISSION REACHES "END OF ROAD" IN PLAN FOR NEGOTIATIONS—ISSUES STATEMENT—CHAIRMAN DONOVAN NOTIFIED OF STATE'S FINAL STAND

Charging that California is trying to complete Colorado River contracts with Secretary of the Interior Wilbur in order to eliminate both water and power revenues as subjects of negotiation before resuming the attempt to agree with Arizona in a compact, the Arizona Colorado River Commission yesterday declared it had been forced to "the end of the road as far as negotiations for a tri-State compact are concerned," and ordered immediate "legal action," understood to be a suit in the United States Supreme Court.

At the end of a 2-day session in the State capitol, attended by the full membership—Charles B. Ward, chairman; John Mason Ross, secretary; A. H. Favour, and Gov. John C. Phillips—by the attorney general, K. Berry Peterson, and by Special Counsel Clifton Matthews, a statement of approximately 2,000 words, outlining Arizona's stand on the whole situation, was issued by the commission, without verbal comment.

URGES LEGAL ACTION

The statement outlines the provisions of the Swing-Johnson bill which affect Arizona, recites new charges of unfairness on the part of California, and concludes in part with the declaration that through legal action this State will seek to determine whether "in such a transparent disguise as regulating navigation in the Colorado River, a purely southern California enterprise may masquerade in Arizona as a Federal project and appropriate to itself powers, privileges, and immunities which, as a purely California enterprise, it could neither demand nor enjoy."

Notification of Arizona's final stand was sent at the conclusion of the meeting to W. J. Donovan, the Federal representative who has been acting as chairman of the tri-State conference, which has sought to effect an agreement of the three States most vitally concerned—Arizona, California, and Nevada.

At various points in the statement the Arizona-Colorado River Commission sets forth its objections to the entire river proceedings and proposals, which are substantially:

GIVES NINE REASONS

First, Southern California wants practically all of the available water in the river for irrigation purposes in the Imperial, Coachella, and other interior valleys and for use on the coastal plain. For Arizona to concede these demands "would mean that new developments made possible by the project would take place in California and none in Arizona."

Second, For some time "it has been evident that California wanted to get the matter of power and water contracts completed with the Secretary (of the Interior) before seeking a compact with Arizona, thus removing power and water revenues (under the terms of the Swing-Johnson bill) as subjects of negotiation."

Third. The Imperial and Coachella Valleys are to receive water for irrigation and other purposes "without paying anything whatever to the project. No such gratuity is extended to Arizona."

Fourth. It was generally understood California would be expected to pay approximately \$1.50 per acre-foot storage and delivery charges for water diverted to the coastal plain. "We requested a minimum charge of \$2. California asserted it could not be more than \$1. The Secretary of the Interior now proposes a charge of only 25 cents."

Fifth. The project was "intentionally placed at the nearest available point to the California power market and the most remote from the Arizona power market."

Sixth. In its present form and purpose "our commission is advised and is firmly of the belief that the Swing-Johnson bill is unconstitutional."

Seventh. "The United States is to advance upward of \$40,000,000 without interest to enable Imperial and Coachella Valleys to vastly increase their appropriation and use of the waters of the river. No provision is made for any such aid to Arizona."

Eighth. "When the project is fully paid for, Arizona's right to share in the revenues thereof ceases."

A ninth objection, and ranking with any in seriousness, is recited in more detail:

DETAILED OBJECTION

"Under the terms of the Swing-Johnson bill, Arizona was intended to be a beneficiary of the project to the extent of 18% per cent of 'excess revenues,' that is to say, revenues received in excess of the amounts required for operation, maintenance, and repayment of the Government advances."

"The proposal of the Secretary of the Interior for the nominal charge of 25 cents per acre-foot for storage and delivery charges of waters delivered to the coastal plain, runs counter to the apparent intent of Congress that the project should be so operated as to produce substantial revenues for Arizona and Nevada. With such nominal charge for that water any hope that Arizona might actually receive substantial revenues from the project is completely wiped out."

Regarding power, the commission found that "experts from nearly all of the large users of power in Arizona, outside of Mohave County, have closely studied the matter and reached the conclusion that by reason of prohibitive transmission costs and the relatively small demand, Boulder Dam power can not, under present conditions, at least, be used by any of the large consumers in Phoenix or the large mining camps of eastern and southern Arizona."

Concluding its recital of charges the statement declares:

ARIZONA CAN NOT ACCEPT BOULDER CANYON PROJECT ACT

"Arizona must choose whether to accept the act and ask for benefits thereunder or reject it. She can not do both. Viewing the act as a whole and considering the rights and interests of the State as a whole, rather than the special interests of any particular section or county, it is plain that Arizona can not accept the act as now written and administered."

"From our experience in negotiating with California * * * we are satisfied that further negotiations would be futile."

"Therefore, our commission feels that we have reached the end of the road so far as negotiations for a tri-State compact are concerned. Such a conclusion is deeply disappointing to every member of our commission."

"Such interstate controversies should be settled by compact, but, with that avenue closed, Arizona's only recourse is to the courts. It now appears necessary that she adopt that alternative."

"Thus Arizona will hope to ascertain whether in sovereign right, power, and dignity she stands on a plane of equality with the other States; whether the Federal Government, under a pretense of regulating navigation in the Colorado River may take charge and control of all of its waters for all purposes and engage in a purely commercial undertaking of selling those waters and the power produced thereby; whether, in such transparent disguise, a purely southern California enterprise may masquerade in Arizona as a Federal project and appropriate to itself, privileges and immunities which as a California enterprise it could neither demand nor enjoy; whether Arizona may be subjected to the Colorado River compact by act of Congress and without her consent."

REFUSE COMMENT

"Also Arizona will thus hope to secure a reasonable share of the waters of the river notwithstanding the Colorado River compact, which seeks to reserve in perpetuity to the upper basin an enormous quantity of water which it can never use, and notwithstanding the Swing-Johnson bill, which seeks to federalize the water and power development of the river for the particular benefit of southern California."

Comment was refused by the commission and by the Attorney General yesterday when Arizona's suit would be filed. The suit has been in course of preparation for several months, and is understood to be complete and ready for filing.

Comment was refused by all who attended the 2-day session, on the grounds that the statement was complete and said all there was to be said on every phase of the situation.

FULL TEXT OF STATEMENT ISSUED ON OCTOBER 30, 1929, BY THE ARIZONA-COLORADO RIVER COMMISSION

Under the terms of the Swing-Johnson bill, Arizona was intended to be a beneficiary of the project, to the extent of 18% per cent of the "excess revenues." That is to say, revenues received in excess of the amounts required for operation, maintenance, and repayment of the Government advances, but, notwithstanding her direct and important interest in the negotiations now proceeding before the Secretary of the Interior concerning the sale of water and power from the project, the act does not permit Arizona to advise or cooperate with the Secretary in the matter of proposed contracts because she has not ratified the Colorado River compact. Only those States which have ratified the compact are accorded that privilege.

BOULDER CANYON PROJECT ACT AUTHORIZES COMPACT

The act authorizes Arizona, California, and Nevada to make a compact concerning power and other benefits to be derived from the project, but specifies that if such a compact should not be approved by Congress on or before January 1, 1929, it would be subject to any contracts made by the Secretary of the Interior covering power or water prior to the date of congressional approval of such compact.

As the act was approved by the President on December 21, 1928, a period of 10 days and no more was thus set apart for the formulation and congressional approval of any such compact, if it were certainly to control the Secretary's contracts—an impossible period of time to accomplish the purpose stated.

However, the Arizona commission in February, March, May, and June of this year held various meetings with the California and Nevada commissions in an endeavor to compact with them concerning power rates and contracts, charges for domestic water, water division, and other related matters, but without any success.

When the Washington conference of the interested States adjourned in June, 1929, it was on the understanding with California that, pending further negotiations between the States, the Secretary of the Interior should be requested, so far as possible, to maintain the existing state of affairs and avoid any definite commitments as to water, power, or other matters in which the States were interested. That was done, as we are advised.

It was then contemplated that Arizona and California would immediately resume their negotiations with the aim of arriving at a compact on all matters at issue without delay. Upon our return to Arizona from the Washington conference, we endeavored to resume negotiations with the California commission, but found it impossible to arrange an early meeting. Some months passed until in September the two commissions met for a further conference. Several days were consumed and the meeting adjourned without definite progress.

The only thing discussed was water division and on that subject we found California's position substantially unchanged. California wants practically all of the available water in the river for irrigation purposes in the Imperial, Coachella, and other interior valleys and for use on the coastal plain, and the California commission seems unable or unwilling to make any modification of those demands.

For Arizona to concede those demands would mean that whatever new irrigation developments might be made possible by the project would take place in California and none in Arizona.

SECRETARY EXPEDITES ACTION ON POWER SALES

Lately representatives of the Secretary of the Interior have been, and now are, pressing for action in the matter of power and water sales under the act. Naturally and properly the Secretary desires to move in those matters as expeditiously as possible, to the end that the entire project may be put in such shape that at the coming regular session of Congress proper requests may be made for the necessary appropriations to carry the act into effect.

For some time it has been evident to our commission that California wanted to get the matter of power and water contracts completed with the Secretary before seeking a compact with Arizona, thus narrowing the scope of any such compact and removing power and water revenues as subjects of negotiation.

The Swing-Johnson bill as passed by Congress is highly objectionable to Arizona for many sound reasons. The proposed project is obviously designed for the exclusive benefit of southern California. Under the terms of the bill the Imperial and Coachella Valleys are to receive their water for irrigation and other purposes without paying anything whatever to the project therefor. No such gratuity is extended to Arizona. Whatever water Arizona may use from the project she must pay for.

While the bill was being pressed for passage in Congress it became generally understood that California would be expected to pay approximately \$1.50 per acre-foot storage and delivery charges for waters diverted to the coastal plain. The Sibert commission, made up of eminent engineers who experted the project at the request of Congress, reported that such charge should be substantially increased.

THREE RATES PROPOSED FOR PURCHASE OF DOMESTIC WATER

In our negotiations with California, influenced by the Sibert report and supported by engineering advice, we requested a minimum charge

of \$2 per acre-foot, which would mean an annual revenue to the project from that source of upward of \$2,000,000. California's reply asserted that if any minimum charge was to be fixed it could not be more than \$1 per acre-foot. It is now proposed by the Secretary of the Interior to impose a charge of only 25 cents per acre-foot on that water.

The suggestion of that nominal charge necessarily runs counter to the apparent intent of Congress that the project, if possible, should be so operated as to produce substantial revenues for Arizona and Nevada. With such nominal charge for that water, any hope that Arizona might actually receive substantial revenues from the project is completely wiped out.

So far as the power possibilities of the project are concerned, the project was intentionally placed at the nearest available point to the California power market and the most remote from the Arizona power market. Power experts from nearly all of the large users of power in Arizona, outside of Mojave County, have closely studied the matter and reached the conclusion that by reason of prohibitive transmission costs and the relatively small demand Boulder Dam power can not, under present conditions at least, be used by any of the large power consumers in Phoenix or the large mining camps of eastern and southern Arizona.

CAN NOT ACCEPT ACT AS WRITTEN AND ADMINISTERED

However, Arizona must choose whether to accept the act and ask for benefits thereunder or reject it. She can not do both. Viewing the act as a whole and considering the rights and interests of any particular section or county, it is plain that Arizona can not accept the act as now written and administered.

In our negotiations with California we have sought by compact to clarify and fix the interpretation of the act, subject to congressional approval, so as to get it in shape which might be acceptable to Arizona, as an alternative to litigation. In its present form and purpose our commission is advised and is firmly of the opinion that the Swing-Johnson bill is unconstitutional, but our commission would have recommended that Arizona forego that objection if the bill could have been put in satisfactory form and its satisfactory administration properly safeguarded.

Our particular purpose was to assure Arizona a proper revenue from the project, through the sale of power at a competitive price and the storage and delivery of water on proper charges therefor. By its terms the act intended that that should be done, but its provisions are vague and conflicting, and we merely sought to have that intent carried into effect. It now appears, however, from the program announced by the Secretary of the Interior, that there will be no substantial "excess revenues" from the project and that Arizona's right to receive 18 per cent thereof will be of no value to her.

Thus the southern California cities and the coastal plain of southern California are to be afforded a vast water storage in Arizona without cost to them, and in connection therewith are to enjoy the great output of electrical power to be produced by the project, free from Arizona taxation, if possible, at a price too low to provide any substantial revenue for Arizona.

The Imperial, Coachella, and other interior valleys of southern California, which plan to use practically all of the available water in the main stream not transported to the coastal plain, are expressly exempt from any payment for their water. Arizona can not use any water from the project except by contract with the Secretary of the Interior, subject to the terms of the Colorado River compact, which she has refused to ratify.

The United States is to advance upward of \$40,000,000, without interest, to enable Imperial and Coachella Valleys to vastly increase their appropriation and use of the waters of the river. No provision is made for any such aid to Arizona.

ARIZONA'S RIGHT TO SHARE CEASES

When the project is fully paid for Arizona's right to share in the revenues thereof ceases. Prior to that time, as we have pointed out, that right is without substantial value. Thereafter those revenues, from what are termed lower-basin waters, will go into a fund to be expended by the Government anywhere in the seven States of the river basin for the development of the river. In our proposals presented at Santa Fe we sought to have that provision changed so that when the Government advances should have been repaid, Arizona, Nevada, and the fund above mentioned should come into full beneficial ownership of the project, but there now appears to be no prospect of that reasonable and just amendment.

We have reached a point where it is evident that Arizona is to be foreclosed of her right, given by the act, to compact with California and Nevada concerning power and other benefits to be derived from the project. From our experiences in negotiating with California for a division of water we are satisfied that further negotiations on that issue would be futile even if that subject were separable from the remaining issues, which it is not.

RECOURSE TO COURTS DISAPPOINTING

Therefore, our commission feels that we have reached the end of the road so far as negotiations for a tri-State compact are concerned. Such

a conclusion is deeply disappointing to every member of our commission. Such interstate controversies should be settled by compact, but with that avenue closed Arizona's only recourse is to the courts. It now appears necessary that she adopt the alternative.

Thus Arizona will hope to ascertain whether in sovereign right, power, and dignity she stands on a plane of equality with the other States; whether the Federal Government, under a pretense of regulating navigation in the Colorado River, may take charge and control of all of its waters for all purposes and engage in a purely commercial undertaking of selling those waters and the power produced thereby; whether, in such a transparent disguise, a purely southern California enterprise may masquerade in Arizona as a Federal project and appropriate to itself powers, privileges, and immunities, which as a California enterprise it could neither demand nor enjoy; whether Arizona may be subjected to the Colorado River compact by act of Congress and without her consent.

Also, Arizona will thus hope to secure a reasonable share of the waters of the river, notwithstanding the Colorado River compact which seeks to reserve in perpetuity to the upper basin an enormous quantity of water which it can never use, and notwithstanding the Swing-Johnson bill which seeks to federalize the water and power development of the river for the particular benefit of southern California.

Our commission has given notice of our decision as above stated to W. J. Donovan and to the California and Nevada commissions, and has authorized and directed the attorney general of Arizona to take such legal action as may be proper and necessary.

GASTONIA

Mr. WHEELER. Mr. President, I ask leave to have printed in the RECORD an article appearing in the November, 1929, issue of Harper's Magazine entitled "Gastonia," by Mary Heaton Vorse.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GASTONIA

By Mary Heaton Vorse

Spontaneous uprisings of the people are few. There is some patient quality in man that makes him endure long past the point of actual suffering. Especially is this true of man's economic state. It is appallingly easy to get used to poverty; if one has been poor always one can scarcely comprehend any other way of living.

When I first learned last winter that a wave of spontaneous strikes was sweeping through the mill villages of the South I was skeptical. I know how helpless and docile leaderless workers are. I remembered the complaint of one good striker, Reilly, to Elizabeth Gurley Flynn, "Gee! Gurley, me fut is brug on me! I been assistin' at a spontaneous uprisin' o' th' workers. Me an' Finnegan kicked them Hunkies in the pants an' they spontaneously arose an' wint out of th' fact'ry!" Many "spontaneous" uprisings have had such motivating causes—but not that in Gastonia, N. C., or the other recent strikes in the Carolinas and Tennessee.

It was not the number of people who had struck which made this southern revolt significant. It was the number and variety of communities involved. It was also the fact that those primitive and unorganized workers had struck without union or leaders. There was a shoudering thrust as of a folk movement—a great many mute, patient people being driven by desperation to revolt. They had moved in almost a score of communities separated by miles. Over the mountains in Tennessee the rayon workers had struck. Far away in Thompson, Ga., the workers had struck, too; and through all the textile towns they were quivering awake. One remembered the weavers' revolt of the last century. There was a reverberation of strikes through the textile South. People were talking strike everywhere. Everywhere these "loyal and 100 per cent American workers" were talking of organization.

In widely separated mill towns you will find the same reasons for discontent. There are two of equal force—the introduction of the Bedaud efficiency system, which the workers call the "stretch-out," and the substantial cutting of wages which has been almost universal during the past two or three years. Through the operation of the stretch-out, men and women often do double work while they receive less pay. The mill hands who endured long hours and low pay as their lot, broke down under the burden which was laid upon them. One after another I have heard them say, "We could not do it."

The effect of the stretch-out was explained to me most lucidly by a strike leader in Greenville, S. C., named Rochester. He is 37 and has worked 29 years in the mill. He began to work in the mill in 1900 when he was 8 years old and did not make a penny his first month. Later he got 17 cents a week. When he made a quarter a day he "thought he was running into money."

"It amounts to this," he said. "They cut my wages and increased my work. I used to tend 48 looms, while under the stretch-out I have to tend 90 looms, and I couldn't do it. Three years ago I was makin' over \$19 a week. Now I make \$17.70. I ain't a-braggin'. I'm an experienced weaver. I don't believe there's many can beat me.

I make a hundred per cent, the most any weaver can make." He hopes again to make \$19, the highest reward to which he can aspire for a lifetime of unremitting work.

The average weekly wage scale in the great Loray mill in Gastonia, N. C., is less, apparently owing to the parings and cuttings of workers' wages by the management. In 1927 \$500,000 was saved on the pay roll without cutting production. To make this possible two people had to do the work of three. Piecework prices were cut. This mighty saving was continued up to the moment of the strike.

The workers in the Loray mill went out on strike on the same heaving surge of revolt which runs to-day through the southern mill villages. Their strike was none the less a spontaneous demonstration, even though a single organizer of the National Textile Workers' Union, Fred Beal, had been laying the foundation of a labor union in that mill. At the beginning of the strike whose tragic climax has been filling the newspapers of the country only a handful had as yet joined the union.

II

The Loray mill is in West Gastonia. It is owned by the Manville-Jenckes Co., a Rhode Island concern. The mile of road which separates Gastonia from its suburb begins with ample houses surrounded by rose gardens. In West Gastonia the same street which began so pleasantly is lined with brick and wooden stores whose wares tell eloquently of how little people buy.

The great mill dominates the settlement. Behind it is the mill village, a flock of little houses all alike, perched each one on brick stilts. The big mill is like a huge hen with uncouth chicks around it, so obviously do the little houses belong to the mill from which a roar of turning wheels comes night and day. Night and day the men, women, and children from the little houses go into the mill. It is their whole life.

The strikers' lawyer, Tom P. Jimison, outlined for me the course which the strike took. On April 1, 1,700 of the 2,200 employees of the mill came out on strike. The immediate cause was the discovery of union activities and the discharge of union members. On April 2 the public street was roped off to prevent the strikers from approaching the mill. The workers pulled the rope from the hands of the police. The governor was then asked for troops.

During the first days of the strike there were large and orderly picket lines. These picket lines were broken up with increasing severity. Workers were beaten after their arrest and scores were thrown into jail. All the leaders were arrested at one time or another. Gastonia was in a ferment.

As soon as the strike was called Vera Buch, Ellen Dawson, and George Pershing were sent down as organizers from the headquarters of the National Textile Workers' Union. This is an organization containing communist elements, which was active in textile strikes in Passaic and New Bedford. The feeling in the town against the northern organizers ran high. Well-dressed people swore at them when they appeared on the streets of Gastonia. Threatening letters and telephone messages were frequent. Since then Mr. Jimison's life has been threatened for defending them in the murder trial.

The National Textile Workers' Union had rented a small shack on the main street of West Gastonia, which it used as strike headquarters. An empty store near by had been hired as a relief depot, and to it the strikers went daily to get their food supplies. This relief store was supported by the Workers' International Relief, an organization which collects money from labor unions for workers on strike. I speak of these two buildings especially, because it was against them, instead of against the strike leaders, that the threats of mob violence materialized. On the night of April 18 a mob of between 150 and 200 masked men descended upon the headquarters and with axes and other instruments almost literally chopped it down. They broke into the relief store, smashed the windows, and threw the supplies of food intended for women and children out into the road and destroyed them. The nine boys who, unarmed, were guarding the headquarters and store were arrested by National Guard men. None of the raiders was arrested.

The militia was dismissed at the end of that week. A large number of extra deputies were then sworn in and armed with bayonets. On Monday, April 22, they charged the picket line with bayonets and blackjacks. A reporter was beaten unconscious. Women were beaten. Men and women, their clothing torn, were scratched with bayonets. Large numbers were arrested. The events of that Monday afternoon were a premeditated attempt to terrorize the workers from holding the picket line.

This was the general state of affairs when I arrived. A grand jury had already been called to investigate the mob outrage, which was very badly looked upon throughout the State. It failed to bring indictments or to throw any light on who was responsible for the trouble. Two of the nine guards made affidavit that they recognized members of the mill police among their assailants.

III

The first day I was in West Gastonia a striker, guiding me to the open lot where the "talking" was, pointed out the little lamentable wrecked building. Fred Beal was addressing a big crowd from a square

platform. It was the first time I had seen an audience of purely American workers at such a meeting and I found the sight of them unexpectedly moving. I got an impression of a people unmistakably American, yet of a different flavor from any I had ever known.

Fred Beal is wide shouldered and heavily built; boyish, red haired, sunburned, with very blue eyes set far apart. He has absolutely no pose, no "front" whatsoever. He is unassuming and seemingly unconscious that he is a big man hereabouts. He is one of the few young men who can stand the applause of crowds.

He was sweating when he got off the platform. He slumped down in depression beside me. The men didn't want to go on the picket line, he said, without their guns. When the militia had been succeeded by deputies with bayonets, the strikers had gaily said, "We'll get our guns, too." This they had been restrained from doing by the young organizer from the North. The mountaineers were glum enough about this. Without their guns they felt emasculated, deprived of their manhood.

Beal felt deeply both his responsibility and his isolation in the South. For the moment he was the most conspicuous person in North Carolina. In the eyes of the well-to-do people and the mill owners, he was the "outside agitator," a menace which threatened the peace of the Commonwealth. His shoulders, though broad, were not quite broad enough to carry the burden of so much hatred. But if he was the object of fear and hatred of thousands, he was also the spark of hope of thousands more. As Fred Beal walked through the crowd you could see the people loved him. The faces of the gaunt, earnest men and the meagerly clad women broke into smiles at the sight of him.

He and the other northern organizers were the focus of so much emotion that it was as if they were small incandescent points of radiance made visible by the burden of love and hatred which they carried. There was an apprehensiveness among them that had nothing to do with fear. It was almost as if they, and Beal especially, had a prescience of what was coming. They all agreed that the terrible weight of public enmity oppressed them, this core of white-hot hate which the South visited upon them.

Around these young people were the gaunt mill workers, who are all of them American of the early English migrations. They come from the hills and from tenant farms in the valleys. It is largely upon the cheapness of their labor that the textile South has based its mighty development. Northern capital has poured in to take advantage of the "100-per-cent loyal American labor," following the advertisements which in the trade journals have read, "Avoid labor troubles! Come South! Plenty of American cheap labor!"

The laws requiring children to go to school until they are 14 have been in effect only a few years. It is not unusual to find mill workers in their late twenties who already have worked 20 years. Such people are, of necessity, illiterate. Yet there is a direct quality, a completeness about them. They do not belong to this century. Their point of view toward the clan, their kin, society, their bosses is of the seventeenth or eighteenth century. The doubts of our time have escaped them. They are living in another day, when man occupied the center of the universe and communicated directly with his God. And when, moreover, he was the head of the family.

Poverty and lack show in their every line. The old women dress in dark, homemade calicoes as they did in the mountains. They show the effects of malnutrition. Pellagra is common among them and has increased during the last two years. Yet the men have dignity and the women have sweetness. They have not lost their mountain habit of hospitality.

The little girls are often exquisite—many of them blond and blue-eyed and very English in appearance. At 40 they are old women. The men are tall and spare and strong looking. One sometimes sees one of the Lincoln type—tall, rangy, and lantern-jawed. Among the women one frequently comes upon that delicate and lovely profile which has made southern women famous for beauty. The women of 40 who look so worn still have heartbreaking moments of evanescent loveliness.

Like all people who read but little, they are great story tellers and they love a political argument. They are law-abiding and have the Jeffersonian jealousy of their constitutional rights. No policeman may enter a house without showing his warrant. They believe that a man should defend his rights as he defends his honor. Among these mill "hands" you will find names that are famous in southern history; they are, many of them, descendants of the men who turned the tide of battle at Kings Mountain, which is only a few miles from Gastonia.

IV

I turned from my preoccupation with the strikers and the history of the strike to look at its setting. I spent some time acquainting myself with the look of the city and its surroundings. Nothing I had read prepared me for what I saw. The industrial revolution had here run its completed cycle in 30 years. I found myself in the presence of an industrial development which was so gigantic and had been encompassed in so brief a time that it had the terror of incalculable energy. There is in North Carolina a sense of ordered direction as though these multitudinous cotton mills had not sprung up for many varied reasons, but as though the whole industrial South was the plan of one. The trans-

formation of North Carolina, within a period of 30 years, from a sleepy agricultural State still struggling with the problems of reconstruction to one of the richest States in the Union is a miracle. The cities have appeared as if by magic.

North Carolina is so beautiful and so finished, there is such mastery in its great highways, that it seems as though it were the work of some superman—the result of a stupendous, organized plan.

It has beauty enough to make the fortune of a European country. In the springtime red, fertile plowed hillsides overwhelm the eyes with the flame of their color. There is no poet who has sung adequately of the gamut of reds which shout and sing in the Piedmont fields, and which in the evening light are washed with purple.

Among the red fields marches a mighty procession of ordered factories. And again one has the impression that the red earth has blossomed spontaneously and monstrosously with red brick and plate glass; as if the god of machines of the industrial revolution had said "Let there be factories" and there were factories.

Take the city of Gastonia, with its 22,000 inhabitants. It is situated in the southern part of North Carolina in that principality within States known as Piedmont. This is the high red-earth country which begins in Virginia and continues through the Carolinas. It incloses within its confines the richest portion of the textile industry, and, therefore, the richest cities, of which Gastonia is one. Thirty years ago Gastonia was a hamlet on the crossroads. It gives the impression of having sprung out of the earth fully equipped. There is a new city hall, a new courthouse, a new county jail, all fine buildings. On an elevation stands a splendid new high school. There is a great orthopedic hospital, where miracles are performed on children and where nearly 90 per cent of the work is done free. The only public building lacking is a library, and this lack, one feels sure, will soon be remedied by Gastonia's public-spirited citizens. There are new churches and new residences everywhere. The city is completely surrounded by fine new mills, of which I was told that the Lory in West Gastonia is the largest.

Few if any of these mills are over 30 years old. It is they which have supported the prosperity of the town and its well-to-do people. The mills created Gastonia, the city of spindles. It is handsome, prosperous, thriving. Here is the cotton-mill population culled from hill settlements and from farms supporting the handsome city. The picture one gets is as complete as an egg. Gastonia tells you its story, loud and clear, the very first day.

The order of these modern factories with their new machines is in strong contrast with the absurd disorder of mob violence: men with stockings pulled over their faces chopping down union headquarters and throwing workers' food into the street; militia called out against these workers; Americans chased by deputies with bayonets on American streets; all the old silly saws printed in the papers about the trouble being caused by outside agitators. How, the visitor asks himself, can a community be so orderly about industry and so disorderly about human life?

The answer was clear. Although other parts of the United States had already accepted the economic theory that short hours and high wages lead to prosperity, this splendid, vigorous, vital South had not yet attacked the human problem.

v

There was no communication, I found, between the mill people and the well-to-do people. When I asked Mr. Jimison if there could not be found at least a few women who would contribute to a milk fund for the babies—for this is one thing for which one can always get a committee in a northern community, even among people who disapprove violently of unions—he answered bitterly:

"You don't understand. You, in the North, think of workers as human beings. The folks here think of them as hands!"

They can hardly think of them otherwise under the existing system of paternalism. Each factory is surrounded by a settlement of company houses. In East Gastonia, surrounding such factories as the Plymouth, are pleasant streets with rose and vine bowered cottages; elsewhere bare dwellings stand in naked and sun-dried earth. There are all grades of villages between the two extremes. The mill village will be bare or flowering according to the will of the factory owner. Within 7 miles of Gastonia are to be found villages both better and worse than those within city limits. Cramerton is one of the mill towns where the last word in benevolent paternalism has been uttered. But whether the towns give information concerning a good or bad master, it is always a master of whom they speak.

There are towns in North Carolina which are not incorporated. This means that the very roads belong to the mill owner. He hires the police force, and if the schoolmaster or the minister does not please him he must go. In such towns paternalism becomes a despotic autocracy.

There are many mill owners throughout the South whose paternalism is infused with an ardent desire to do all that they can for the workers. There are few mills within corporate limits to-day which have not some form of welfare work. There are often women nurses and welfare workers attached to the factory. Some mills have ball fields, recreation

grounds, and community houses. Frequently day nurseries and rooms are provided where women may nurse their babies, the time they are absent being taken, of course, from their pay. The workers buy their food at the company store. They buy their coal, oil, and wood from the company. If they are ill a company doctor attends them. All this, of course, will be deducted from their pay.

Conscientious mill owners frankly consider their "hands" as children, incapable of taking care of themselves. But whether their conditions are good or bad does not depend upon the workers' joint effort to control hours, wages, and factory conditions. All depends upon the policy of the owners.

Company houses covered with roses still remain company houses. The workers can not own them. Community activities do not raise the wage scale, which is so low that almost without exception children of 14 go to the mill as a matter of course. Mothers of young children must work at night.

I heard of these things in terms of human lives. The strikers wanted to talk about themselves. Every day yielded stories like that of Mary Morris, who passed all the young years of her marriage in want because "when I was goin' to have a baby and got so I couldn't work, they'd fire my husband. Lots of mills won't have you unless there's two hands in the family working." Or of Daisy McDonald, who told me she has to support a husband and family of seven children on \$12.90 a week.

"My husband lost his leg and has a tubercular bone. What do you think's left to feed my people on when I pay my weekly expenses? My home rent is \$1.50, light 50 cents to 85 cents, furniture \$1, insurance, \$1.25. What do you think was left the week I paid \$2.20 for wood?"

"I used to work in the Myers mill in South Gastonia, and they wouldn't take my husband unless I worked, too, and I had a little baby."

James Ballentyne added another detail. It was a story of police brutality which recurred often in different forms. "I was leading the picket line and I was trying to get through a mob of deputies. They said, 'What do you think you're doing?' I said, 'Leading a picket line if I can get through,' and I walked through. They jumped on me and hit me with clubs over the head and in the belly, so I was spitting blood and hemorrhaging all night. It was two weeks ago, and I ain't well yet. I was all mashed up inside."

When I had seen some of the sights of Gastonia I went strike sight-seeing with a minister from Greensboro. We were going about strike headquarters getting the addresses of some of the people who had been chased with bayonets by the police, in order to verify to our satisfaction some of the well-nigh incredible stories poured into our ears by strikers and organizers, when Amy Schechter, the relief director, came up saying, "They're evicting people over in the ravine!" We drove to the place, a striker guiding us.

A woman I had noticed at headquarters, a Mrs. Winebarger, was standing in front of a lamentable little heap of household furnishings. Pots, pans, bedding, bureaus were piled helter-skelter. What had been a home of a sort had in a moment become rubbish.

Three yellow-haired children sat solemnly on the heaped-up wreckage. The baby was asleep at a neighbor's. It waked up presently, and the little girl lugged it around. We went into the house, which like most houses in the neighborhood was built without a cellar and stood on little brick pillars. The lumber was of the cheapest. There were knot-holes in the floor, through which the wind poured. (This was not a company house, but was owned by a private landlord.)

Mrs. Winebarger told us: "It rained in like a sieve. When it rained we had to keep moving our beds around to keep them dry." She had never had the electric lights turned on. "Where'd I get my \$5 for the deposit?" she asked angrily, for she was angry at her house, at the circumstances of her life, and she wanted to go back to the mountains, whence she had come. "But it would cost an awful lot to get us back—\$15." Her husband had pellagra, and she was supporting him and her four children on what she made. She had a venomous feeling toward the house which had finally spewed her forth.

Look at that chimney. It always smoked. We couldn't have no fire here. We couldn't keep warm. Once I was buying a coal stove for my kitchen, and I had \$19 paid on it. Then I had to buy medicine for him, and I couldn't make my payments, and they tuk my stove away."

The furniture of the mill workers is almost inevitably bought on the installment plan. Mrs. Winebarger made \$12.50 a week. She paid \$1.50 a week for house rent, between 50 cents and a dollar for fuel and light, and more than a dollar a week for medicine. The house was a bungalow of four rooms. It had a fairly wide hall and small shallow fireplaces. Except for its flimsiness it was much better than the tenements of Passaic, N. J., or the overcrowded houses of Lawrence, Mass., with their four courtyards.

We next went to the house of Mrs. Ada Howell, an old woman who had been beaten up on Monday, April 22, after the withdrawal of the militia.

Mrs. Howell sat in a rocking chair, her two eyes blackened, her face discolored. It gave one a sense of embarrassment and impotent anger

to look at her. She told her story in a detached way. She was curiously without passion as she described something as unbelievable as a nightmare. She had been going to the store for supper on Monday, April 22. Policemen came down the street "chasing the strikers before them like rats." A policeman rushed at her with a bayonet.

"He cut my dress, and he cut me, too. Lawyer Jimlison told me I should keep that dress without washing it so I could show it, but I haven't enough dresses to lay those clothes away." Her idea was that the policeman had gone crazy.

"They acted like crazy men. They was drunk crazed," her son said. "They had been a-drinkin'," she admitted, "an' they must'a been a-drinkin' to chase women and little kids with bayonets. They chased 'em in and out the relief store like dogs huntin' rats.

"An' they hadn't no call to go in that relief store—the laws hadn't. You can't go in any place if you ain't any warrant.

"An' then the policeman came up an' hit me between the eyes with his fist. He hit me more'n twenty times, I reckon. I was all swelled up an' black an' blue."

I had seen photographs of her mutilated face. We didn't say anything. There didn't seem to be anything to say. I suppose when comfortable people read such stories they think, "This can't be true. Why, that just couldn't happen in our town. Such things don't happen." No wonder they feel this way.

We went on. Strike sightseeing is a rather awful thing. There is obscenity in the fact that old women can be beaten for no reason when they are peacefully proceeding on their business; there is equal obscenity in the fact that a mother with four children to support has to work all night for \$12.50 a week, and then be evicted because she can not pay her rent. It does not seem reasonable that such things should happen here in this country, in 1929.

This was not the end of the sights Gastonia had to show that day. In the late afternoon I went out to watch the picket line. Perhaps a hundred men, women, and children walked two by two in orderly fashion. The procession was led by two boys and two gay girls of about 15, in overalls. The police whistles shrilled. Two or three automobiles containing police and deputies armed with bayonets speeded after the picketers. The picketers walked away from the mills. The deputies herded them with their bayonets.

I stood on a high bank, watching. A nice-looking woman was rushed to a waiting car by the police. She resisted. I saw a policeman twist the knot of her hair and twist her arms cruelly. She struggled. And still they twisted her arms. Women near me were crying. Murmurs of "Shame!" came from the crowd. One of the village women grasped my arm, trembling. Everyone was saying, "Why don't they do something?"

The arrested woman hadn't been in the picket line. Her little boy had been swept into the procession as it was rounded up by the police, and she had pulled him out. The reason she had struggled so against arrest was that she had a nursing baby. A few hours after her brutal mauling she was set at liberty. Why was she treated this way? There is no answer. Why was Mrs. Howell set upon when she was going to the store to get her evening's supper?

VI

A few days after this a mill company began mass evictions. The 50 people evicted that first day lived in houses distributed through the different sections of the mill village.

"To show the others what's comin' to 'em," a mill official remarked grimly. One official stated frankly that it was intentional that union officials and the most active strikers should be the first to be thrown out.

Accordingly, the house of J. A. Valentine was one of those where the sheriff and deputies stopped first. Mrs. Valentine was sitting on a bench, a little girl in her arms. The child had been in bed when the mill doctor arrived to see if there was sickness in the house. When the doctor was questioned about her he answered:

"She's convalescing from the smallpox. She's all right now; ain't any temperature. This ain't a smallpox-quarantine State. Compulsory vaccination and compulsory school age is enough without quarantine."

On the next street the deputies were at work taking out the possessions of 14 people. It was Henry Tetherow's house.

Henry is the head of the family. He is 17 and looks 14. He and a sister support a family of nine. His father is too sick to work. With them lives the family of William Truitt, the secretary-treasurer of the local union of the National Textile Workers.

"This house has been a hotbed of union meetings," said the company doctor. "The company's been patient to let 'em stay here so long. Let 'em stay five weeks. What's the matter with the little girl in bed? Oh, she's got nothin' but runnin' ears. Might have 'em for weeks."

Men came out, bringing children's beds, a basket of pretty glasses, a tiny old-fashioned organ. A big doll was being evicted.

Henry, pale of face, very small, wandered at random among the swelling mountain of things. Mr. Tetherow stood as if he would never move again.

At another house in the midst of the immense disorder of eviction a woman sat tranquilly writing a long letter to her husband. Not far

from her, tucked into a fold of a feather bed, a little baby lay peacefully sleeping. She was a delicate and beautiful woman, and all her belongings were new and freshly painted.

Only one woman sat crying. The tears slid slowly down her cheeks. She had four small children and expected her new baby to be born any day. Around her were the shards of a home.

The work of eviction continued relentlessly day after day. The mill village became a gypsy encampment. People set up stoves and beds in the lots. The dwellers of 200 homes were evicted. Over a thousand people must have been homeless.

VII

I went to visit other strike areas, and when I returned the Workers' International Relief, together with the National Textile Workers' Union had erected a tent colony. Close by was a new union headquarters which the strikers had built with their own labor. The tent colony was picturesquely set among woods near a ravine. There was an air of general happiness and well-being among the strikers and organizers. There were rumors of great discontent among the workers at the mill. The strikers and the organizers talked hopefully of another walkout.

It was Decoration Day. A band of children with American flags was walking gayly off toward the picket line. They were led by little Sophia Melvin, who had come down recently from the North to teach organized play to the children. Old friends came up and greeted me. Everybody was brown; they looked as if they had gained weight since the early days of the strike. The women's faces were rested.

I was told that there had been prowlers around the tent colony and frequent threats that the new headquarters would be destroyed as the old one had been. Because of this the boundaries were patrolled at night by an armed guard. But this did not seem strange to me, coming as I did from Elizabethton, Tenn. The place where I had stayed there had been guarded every night by boys peering out of the windows, their fingers on the triggers of their guns.

It did not seem possible that further trouble should occur. Least of all did the northern organizers expect it. Yet just a week later, during trouble at the tent colony, Chief of Police O. F. Aderholt was killed, and three other policemen and one striker wounded.

Two policemen, after a celebration in Mecklenburg County, chased a man into the Catawba River and playfully shot at him. Two hours later they were at the tent colony. It was 9 o'clock. The guard refused to allow the police to enter without a warrant. Another policeman tried to disarm a guard. In the scuffle a gun went off and the shooting began. Each side claims the other fired first. In the next few days 70 persons were arrested. Sixteen people, including three women were held without bail for first-degree murder, the unfailing penalty for which in North Carolina is the electric chair. The death penalty against the three women was later dropped. Seven others were held for conspiracy. Every northerner, man or woman, was arrested.

VIII

It is idle to think of Gastonia as a situation peculiar to itself. Edward McGrady, loyal representative of the American Federation of Labor, and Alfred Hoffman, of the United Textile Workers, were kidnapped in the principal hotel of Elizabethton, Tenn. In Ware Shoals, S. C., George L. Googe, vice president of the South Carolina Federation of Labor, was threatened by a mob and left town under police protection.

There is no doubt in my mind and in the minds of many other people that had it not been for the northern organizers and their desire to avoid violence the workers would have shot in what they consider self-defense long ago. Not only would they have shot in Gastonia, but also they would have shot in Elizabethton and elsewhere. Everybody in the Carolinas and Tennessee has a gun. Peaceful citizens going on a long journey take revolvers with them as a matter of course. People think in terms of defending themselves. The trial now in progress will concern itself with the question whether the strikers shot in self-defense or not.

This trial began with a scene of grotesque unfairness, unprecedented in any American court. A life-sized manikin of Chief of Police O. F. Aderholt was rolled into the courtroom dressed in a blood-stained uniform. Conspicuous among the prosecution lawyers sat the widow and daughter of the chief of police. Confronted with this unexpected sight they burst into tears. Judge M. V. Barnhill, who throughout the trial was a paragon of impartiality, commanded the figure to be removed. The jury and the appalled audience, however, had filled their eyes with the ghastly effigy.

Three days later one of the jurors went violently insane—from the shock he had suffered at the spectacle of the "ghost," it was claimed. The trial had to be delayed. The defense had not been heard. The principal witnesses for the State had already been examined. Not one of the defendants had been connected with the shooting of the chief. The released jurors told the press that on the evidence before them they were for acquittal.

At this point of the story the mob reappears. Already on the Saturday before union organizers going to a meeting in South Gastonia had been surrounded by a mob of 200, threatened with lynching, and beaten with blackjacks and bottles. The taxi had plowed its way through the

crowd and they escaped with only minor injuries. Apparently, as a result of the juror's statement that they would release the prisoners, an "antired" demonstration was held in Gastonia on Monday, September 9, the night the trial came to its abrupt pause. A procession of 100 cars went to strike headquarters, which was looted. The strike headquarters at Bessemer City, a small town 7 miles from Gastonia, was raided.

The mob went next to a house in Gastonia where union organizers lived. A hundred men crowded into the house and kidnapped Ben Wells, an Englishman, and C. D. Saylor, and C. M. Lell, local men. They were driven to a wood in a neighboring county where Wells was stripped and flogged. Two 'possum hunters heard his cries. The night riders heard the hunters approaching and thought it was the law and fled, leaving Wells unconscious to be rescued by his companions.

Meantime the major part of the mob had streamed over the 20 miles that separates Gastonia from Charlotte with cries of "Get Beal out of jail and lynch him!" "Let's clean up all the communists!" "Let's get out Jimison and lynch him!" They went to a hotel where some of the communists and organizers lived and tore up the hotel register and broke fixtures. They proceeded next to the headquarters of the International Labor Defense, an organization which has been defending the accused men as well as those arrested on charges connected with the strike. The sympathizers and organizers in the office had been warned by telephone from Gastonia and escaped only one minute before the arrival of the mob. After breaking into the International Labor Defense office and finding no one there, the mob went to Tom P. Jimison's house, where they shouted and milled around and finally dispersed.

Two significant facts stand out in this night of terror. One is that no police protection was afforded. The other is that the mob was in no wise a rabble but proceeded along planned lines. It is considered by defense counsel part of the reign of terror which has been in effect throughout the strike and of which they consider the raid of June 7 an integral part.

The better element in North Carolina has been deeply stirred by this lawlessness in which prominent mill people and members of the police took part. An investigation was promptly begun. Fourteen people were arrested, including prominent millmen and police officers who were in the tent-colony raid. Members of the Gastonia mob have asserted that they will not stop till they have cleaned out every union organizer in their part of the South.

The culmination to mob violence came on September 14. A truck load of union members were going to an attempted union meeting. The meeting was never held, armed mobs turning away all union members. The truck turned back to Bessemer City, whence it had come, and was followed by a number of cars containing members of the mob. A car swerved in front of the truck, apparently to stop it. The truck crashed it, and the car was upset. Immediately rifle fire was opened on the unarmed workers. A woman was shot through the chest and died instantly. She is a widow and leaves five young children. She was especially beloved among the strikers as the composer of the strike songs and ballads. When the chief of police was shot 16 people were indicted and tried for murder. It will be interesting to see if anyone will be tried for this murder.

Meantime, ever since the arrest of their leaders, the workers have been flowing into the union. This demand of the southern workers for better conditions and a union to help them get it is spreading. The South knows it.

Up to now mob violence, police brutality, wholesale arrests of workers, ordinances against picketing, intimidation, and the calling out of the militia—in a word, repression—has been the only answer the South has made to this movement for economic equality among southern workers. History shows that repression has always failed. Not all the Inquisitions, not all the Black Hundreds, not all the various spy systems that humanity has devised have ever stopped an idea.

If the southern industrialists hold to their present policy they face a long and bloody war, bitter and costly. Sooner or later they will have to yield. Political equality can not exist side by side with industrial feudalism.

EXECUTIVE MESSAGE

A message in writing was communicated to the Senate from the President of the United States by Mr. Hess, one of his secretaries.

REVISION OF THE TARIFF

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 2667) to provide revenue, to regulate commerce with foreign countries, to encourage the industries of the United States, to protect American labor, and for other purposes.

Mr. GOLDSBOROUGH. Mr. President, I ask to have read at the desk a telegram which I have received from Winford H. Smith, director and superintendent of the Johns Hopkins Hospital at Baltimore.

The VICE PRESIDENT. The telegram will be read.
The Chief Clerk read as follows:

[Telegram]

BALTIMORE, Md., November 1, 1929.

Hon. PHILLIPS LEE GOLDSBOROUGH,

Senate Office Building:

The Johns Hopkins Hospital, together with all other hospitals, urges against increasing the duty on fats and oils and other soap-making raw materials. This would impose an additional burden of at least \$2,000,000 on hospitals throughout the country.

WINFORD H. SMITH, Director.

The VICE PRESIDENT. The clerk will report the next amendment of the Committee on Finance.

The CHIEF CLERK. In paragraph 216, carbons and electrodes, page 43, line 8, the committee proposes to strike out the word "light" and insert the following:

Light, if less than one-half inch in diameter or of equivalent cross-sectional area, 60 per cent ad valorem; if one-half inch or more in diameter or of equivalent cross-sectional area, 45 per cent ad valorem.

So as to make the paragraph read:

PAR. 216. Carbons and electrodes, of whatever material composed, and wholly or partly manufactured, for producing electric arc light, if less than one-half inch in diameter or of equivalent cross-sectional area, 60 per cent ad valorem; if one-half inch or more in diameter or of equivalent cross-sectional area, 45 per cent ad valorem; electrodes, composed wholly or in part of carbon or graphite, and wholly or partly manufactured, for electric furnace or electrolytic purposes; brushes, of whatever material composed, and wholly or partly manufactured, for electric motors, generators, or other electrical machines or appliances; plates, rods, and other forms, of whatever material composed, and wholly or partly manufactured, for manufacturing into the aforesaid brushes; and articles or wares composed wholly or in part of carbon or graphite, wholly or partly manufactured, not specially provided for, 45 per cent ad valorem.

Mr. COPELAND. Mr. President, if there is no objection to the amendment, and I assume there is not—

Mr. HARRISON. Mr. President, there is objection to the amendment. There is no objection to the latter part of it, but there is objection to the first part, where it is sought to increase the duty from 45 to 60 per cent ad valorem.

Mr. SMOOT. Mr. President, I will make a brief statement if the Senator from New York will yield for that purpose.

Mr. COPELAND. I yield.

Mr. SMOOT. Electric-lighting carbons under the act of 1922 carried a rate of 45 per cent ad valorem. The bill as passed by the House had the same rate. The Senate Finance Committee made one amendment to the paragraph. A duty of 60 per cent is proposed to be imposed on carbons of one-half inch diameter or less. All carbons over one-half inch diameter carry a 45 per cent rate as provided for in existing law. The chief use of the carbons was formerly for street lighting, for which the larger sizes were demanded. Now, the largest use is for the motion-picture projection, photography, and so forth, for which the smaller sizes are employed. Labor costs are higher in the small carbons.

In 1928 the imports amounted to about 20 per cent of the domestic production. In the first five months of 1929 carbons were imported at twice the rate prevailing in 1928. Both domestic production and importations are concentrated in the small sizes mentioned. Foreign carbons are found to be underselling the domestic product in this country, with a wide margin between foreign prices and the prices quoted here for the imported goods, the margin ranging up to over 30 per cent. This applies simply to the carbons one-half inch in diameter or under. The committee thought, under the situation which exists and in view of the importations and the testimony before the committee, that the change ought to be made.

Mr. McKELLAR. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. I yield.

Mr. McKELLAR. Are the companies producing this article in distress in any way? Has it been reported that they are unable to earn dividends?

Mr. SMOOT. Of course, both the small and large carbons are produced, but the testimony before the committee showed that if the competition increased in the case of the small-size carbon, which is used by the motion-picture people principally, that business would be taken away from the domestic producers. They are not complaining of the 45 per cent rate under existing law, except as to the small carbons, which are less than one-half inch in diameter.

Mr. McKELLAR. What proportion of the carbons are of the small size? In other words, what proportion would come under

the 60 per cent rate of duty and what would come under the 45 per cent rate?

Mr. SMOOT. I should say approximately 80 per cent are the smaller size, because, as the Senator knows, the larger size, which has been used for street lighting in the past, is now used only in small quantity. The great bulk, at least 80 per cent of the carbons, would fall under the 60 per cent bracket.

Mr. HARRISON. Mr. President, let us get together on this proposition, if we can. The Senator says that the importations increased in 1929.

Mr. SMOOT. They about doubled, I will say to the Senator.

Mr. HARRISON. I have not those figures before me. The figures which I have show that there was a falling off last year in importations.

Mr. SMOOT. The Senator asked me as to the year 1929. During the whole year 1928 there were 4,486,428 carbons imported. During 1929, from January to June, there were 4,403,630 imported; in other words, during six months of 1929 the importations were practically the same as they were for the entire year 1928.

Mr. HARRISON. I do not have those figures.

Mr. HATFIELD and Mr. COPELAND addressed the Chair.

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from West Virginia, who first addressed the Chair?

Mr. SMOOT. I yield.

Mr. HATFIELD. Can the Senator state the cause of the falling off of the importations during 1928?

Mr. SMOOT. I can not give the reason exactly.

Mr. COPELAND. Mr. President, if the Senator from Utah will permit me, let me say that at that time antidumping proceedings were pending and because of that there was a falling off of importations. In 1927 the number of pieces imported was 6,160,000; in 1928, while the antidumping proceedings were pending, there was a falling off, but for the first six months of the year 1929, 4,576,630 pieces were imported, showing that during the year 1929 undoubtedly 9,000,000 pieces will be imported.

Mr. HARRISON. Mr. President, let us try to get at the facts. If there is any justification for the proposed rate of duty, we have not seen the justification, because the figures show—

Mr. SMOOT. I know the figures for 1928 show that there was a less importation than there was in 1927.

Mr. HARRISON. Yes.

Mr. SMOOT. That was, as the Senator from New York has said, on account of the question which arose as to dumping.

Let me repeat that in 1929, from January to June, there were 4,403,630 carbons imported, and their value was \$128,419.

Mr. HARRISON. Is it not a fact that these carbons are made by the National Carbon Co., and is not the domestic production controlled pretty largely by that one concern?

Mr. SMOOT. They are the largest manufacturers, I will say.

Mr. HARRISON. They control practically 80 or 90 per cent of the business, do they not?

Mr. SMOOT. I do not know as to that.

Mr. COPELAND. They control practically all of it.

Mr. HARRISON. They control practically all of it.

Mr. ODDIE. Mr. President, will the Senator from Utah permit me to make an observation?

Mr. SMOOT. I yield.

Mr. ODDIE. I think the records will show that because of the present inadequate duty all but one of the half dozen manufacturers of these carbon products in this country have had to cease manufacturing them. The one concern which is now manufacturing them has invested a large amount of money in the enterprise, but is making considerably less than 2 per cent a year on its investment.

Mr. BARKLEY. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Kentucky?

Mr. SMOOT. I yield.

Mr. BARKLEY. My information is that the concerns which have gone out of business have gone out of business because they could not compete with the National Carbon Co., which supplies the moving-picture industry of the United States with the articles of this kind which they consume, and that the only competition which the National Carbon Co. now has is the competition that comes from foreign countries.

Mr. SMOOT. I think the Senator is wrong in that regard. When the other companies were in operation they came in competition not only with the National Carbon Co. but with importations from foreign countries; and while the National Carbon Co. makes the great bulk of these articles, the importations for the six months of 1929 were within a few thousand of the whole number imported in 1928. If there is any item covered by this

bill which shows a large increase in importations, it is this item. I will say to the Senator frankly that was the sole reason why the change was made.

Mr. COPELAND. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. I yield.

Mr. COPELAND. Let me say this to my colleagues: In 1927 a charge of dumping was lodged against the importation of carbon from Germany. As the result of that charge the department made an investigation covering over two years. While those proceedings were under way there was a falling off of importations from abroad, but just as soon as they were ended in 1929 the imports jumped, so that in the first six months of this year there were imported into this country more than in the entire year 1928.

Mr. BARKLEY. In other words, they sought to make up what they had lost while the dumping proceedings were in progress.

Mr. COPELAND. Does the Senator mean in the way of profits?

Mr. BARKLEY. No; in imports. Because of the antidumping proceedings the imports were shut off. When the antidumping proceedings were dismissed, the practical effect of which was to decide that there was no dumping, they proceeded to bring in imports this year which they probably would have brought in last year if it had not been for the antidumping proceedings.

Mr. COPELAND. In addition to that, there is an increasing demand for this product. The moving-picture houses use a very small carbon; it is not like that used in street lighting; but the smaller size is used for therapeutic purposes and for moving-picture purposes. So the profits of this concern, the National Carbon Co., were \$16,000 on an investment of \$1,000,000; in other words, they had a profit of 1.6 per cent. I am satisfied, Mr. President, that if we were ever justified in making a change in the tariff rates we are in this instance; and I plead with my colleagues on this side of the Chamber to let the amendment be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. HARRISON. Mr. President, I merely want to say a word or so and then let the Senate vote on the amendment. What we are doing here is increasing the rate of duty from 45 to 60 per cent on carbons of certain dimensions which are controlled by one concern in the United States, the National Carbon Co. They dominate the market in respect of the carbons used by the motion-picture business as well as those used for searchlights. The hearings show that there are no importations for searchlight purposes and very few for motion-picture purposes. Consequently it is a local and domestic concern which dominates those two markets, and we are reflecting an increased cost to every motion-picture enthusiast in this country. Of course, I do not presume that this one little item will cause an increase in the admission fees into the motion-picture houses, but it is this little item and that little item and increased rates on many items that go into the motion-picture business that give the motion-picture producers the argument for increasing admission fees. That is about all I wish to say about it, and now I am willing to have a vote on the amendment.

Mr. COPELAND. Let me say, so that the Record will show the facts—and if we make the record now we can refer to it later—and so that the moving-picture houses will not be justified in making an increased charge, that the average large metropolitan theater, such as the Fox, the Palace, and the Earle Theaters in Washington, and in New York the Roxy, the Paramount, and the Capital, operating 12 hours a day 7 days a week, use 16 carbons per day, 8 of which are over one-half inch in diameter and 8 under one-half inch. The present carbon cost for each of those theaters is about \$3 per day. So if this increased rate is provided it would involve an increase of 13 cents for the entire operations during 12 hours of one of these theaters. Certainly a cent an hour will not justify an increase in the admission charges.

Mr. HARRISON. That bears out the statement which I made, that while this item may appear small in itself, this and other large increases such as those on glass and on metal and on this and on that, in the aggregate, make quite a good deal.

Mr. BARKLEY. Mr. President, will the Senator yield there? The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from Kentucky?

Mr. HARRISON. I yield.

Mr. BARKLEY. Do I understand correctly that the Senator from New York suggested that the moving-picture industry would consult the CONGRESSIONAL RECORD in fixing admission fees?

Mr. COPELAND. I did not suggest that, but I do suggest that those of us who go out and orate about great monopolies can refer to the RECORD and find the proof that they will not be justified in increasing their charges.

Mr. HARRISON. Mr. President, I merely wish to state this, and then I am through: From the figures given by the Senator there is shown an increase in importations of this particular product; there are very appreciable importations into this country; but I do not believe that the increase in the tariff rate is justified by the facts.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. SMOOT. Just a word, Mr. President, for the RECORD.

The VICE PRESIDENT. The Senator has one minute left.

Mr. SMOOT. I wish to say that the small manufacturers have filed with the committee requests for this increase in the tariff rate.

Mr. ODDIE. Mr. President, in this connection I wish to speak for the graphite-producing States of the Union. About a dozen States produce graphite. Graphite goes very largely into the manufacture of carbon. The carbon which is imported into this country is manufactured from foreign graphite deposits whose owners employ cheap labor. The foreign importations of these carbon products keep American-produced graphite off the market. I believe that if this amendment shall be adopted there will result a distinct benefit to the American graphite producers in the various States of our Union; my State is a graphite producer.

Mr. HEFLIN. Mr. President, I agree with the Senator from Nevada. This will be helpful to the graphite industry, as well as to the particular industry of which the Senator from New York speaks, and I hope the amendment will be adopted.

Mr. HATFIELD. Mr. President, not only is what the Senator from Nevada says true; it is likewise true of the medical profession, who are greatly interested in the development of different therapeutic lamps used in the treatment of many of the diseases of childhood. The small carbon manufactured in America is almost indispensable to the use of these lamps. For that reason, if for no other, this amendment should be adopted.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 45, line 1, after the word "Tubes," to strike out "or" and insert "(except gauge glass tubes) and," so as to read:

(b) Tubes (except gauge glass tubes) and tubing, with ends finished or unfinished, for whatever purpose used, wholly or in chief value of glass, 65 per cent ad valorem; wholly or in chief value of fused quartz or fused silica, 40 per cent ad valorem.

Mr. BARKLEY. Mr. President, before that amendment is voted on, I think probably the result of it will depend on the amendment lower down, which makes special provision for gauge glass, putting it in at 55 per cent ad valorem. I should like to have some explanation of that amendment before voting on the one at the top of the page.

Mr. SMOOT. Did I understand the Senator to say that the amendment on page 1, line 45, has any reference to the amendment beginning on line 12?

Mr. BARKLEY. No; it has reference to the amendment beginning on line 5, gauge glasses. The effect of both amendments is to put tube glass back at the present law. Is that correct?

Mr. SMOOT. That is the object of it.

Mr. BARKLEY. We have no objection to that.

Mr. SMOOT. That is what I thought.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment of the Committee on Finance was, on page 45, line 5, after the word "ad," to strike out "valorem" and insert "valorem; gauge glass tubes, wholly or in chief value of glass, 55 per cent ad valorem."

Mr. McKELLAR. That is a decrease?

Mr. SMOOT. Yes; that is the present law.

The VICE PRESIDENT. The question is on agreeing to the amendment of the committee.

The amendment was agreed to.

The next amendment was, on page 45, after line 6, to strike out:

(c) Illuminating articles of every description, including chimneys, globes, shades, and prisms, for use in connection with artificial illumination, all the foregoing, finished or unfinished, composed wholly or in chief value of glass, 65 per cent ad valorem.

And in lieu thereof to insert:

(c) Illuminating articles of every description, finished or unfinished, wholly or in chief value of glass, for use in connection with artificial illumination: Prisms, 30 per cent ad valorem; chimneys, 55 per cent ad valorem; globes and shades, 85 per cent ad valorem; all others, and parts thereof, 60 per cent ad valorem.

Mr. McKELLAR. Mr. President, will the Senator explain that?

Mr. SMOOT. Yes, Mr. President.

The rate imposed under the House bill upon illuminating glass—namely, 65 per cent ad valorem—has been changed as follows:

Globes and shades, 85 per cent ad valorem.

Chimneys, 55 per cent ad valorem.

Prisms, 30 per cent ad valorem.

All others, and parts thereof, 60 per cent ad valorem.

The reasons for the change are as follows:

The principal foreign competition in illuminating glassware is in globes and shades. Because of this keen competition and the wide spread in prices between the domestic and foreign comparable articles the increase in the rate of duty on globes and shades from 65 to 85 per cent seems justified.

Crystal fixtures and prisms, which form a large part of the importations of illuminating glassware, are not made in the United States to any great extent, and accordingly the rate for such articles has been reduced. The rate for chimneys has also been reduced, because there has been little foreign competition in the domestic markets in recent years.

I think that covers the reasons; and the testimony showed beyond the question of a doubt that the particular illuminating glassware spoken of did require an increase, but the other items could stand a decrease.

Mr. McKELLAR. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from Tennessee?

Mr. SMOOT. Yes.

Mr. McKELLAR. Is there any evidence in the record that these companies are in an impoverished condition and need to have increases in duties?

Mr. SMOOT. Why, yes; as to the illuminating glassware; but as to the other kind of glassware, while they asked for the same duty, and in some cases more, the committee reduced it.

Mr. McKELLAR. Do not the same companies manufacture all kinds?

Mr. SMOOT. No.

Mr. McKELLAR. Most of them do, do they not?

Mr. SMOOT. I think there are some that make globes and shades.

Mr. COPELAND. Mr. President—

The VICE PRESIDENT. Does the Senator from Utah yield to the Senator from New York?

Mr. SMOOT. Yes.

Mr. COPELAND. I ask the Senator from Utah if he is willing to accept an amendment to line 14 to place after the word "prisms" the words "and lighting fixtures," meaning that glass chandeliers and articles in chief value of prisms shall be given the same rate as prisms? This does not apply to lighting fixtures of brass or of other metal, but is in order to protect the chandeliers and the other devices which are made of prisms.

Mr. SMOOT. Mr. President, that would mean that it would be a decrease from 60 per cent ad valorem to 30 per cent. They fall now under the clause "all others and parts thereof, 60 per cent ad valorem."

Mr. COPELAND. I am willing, if need be, to be more specific than simply to say "lighting fixtures"; to say "glass chandeliers and articles in chief value of prisms."

Mr. SMOOT. That would be much better than the original language.

Mr. COPELAND. Then I propose an amendment to that effect.

Mr. SMOOT. I have no objection to that amendment.

Mr. COPELAND. I thank the Senator.

Mr. BARKLEY. Mr. President, I should like to inquire what the present duty is?

Mr. SMOOT. Sixty per cent.

The VICE PRESIDENT. Will the Senator state the language of his amendment?

Mr. COPELAND. On line 14, page 45, after the comma following the word "prisms," I move to insert "glass chandeliers and articles in chief value of prisms."

Mr. HARRISON. Let the amendment be stated from the desk.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 45, line 14, after the word "prisms," it is proposed to insert:

Glass chandeliers and articles in chief value of prisms.

The amendment to the amendment was agreed to.

Mr. EDGE. Mr. President, the deciding note in most of these votes seems to be the question of whether the paragraph shows a decrease or an increase. I have the actual figures of the four subclassifications of paragraph (c) figured out on the basis of decrease and increase, if the Senate would like to have them.

Under this subheading of "illuminating glassware" prisms, through the amendment proposed by the Senate committee, are decreased from 65 to 30 per cent—a decrease of 53.8 per cent.

Mr. WALSH of Massachusetts. Mr. President, will the Senator permit an interruption? Sixty-five per cent is the House rate. The rate of the present law is 60 per cent.

Mr. EDGE. I am comparing this bill with the House bill.

I will repeat that, so that it will be in order.

Comparing with the House bill, prisms are decreased from 65 per cent to 30 per cent, which is a decrease of 53.8 per cent.

Chimneys are decreased from 65 per cent to 55 per cent, a decrease of 15.4 per cent.

Mr. WALSH of Massachusetts. Mr. President, how is a decrease from 65 to 55 per cent a decrease of 15 per cent?

Mr. EDGE. You can not figure the decrease in ad valorem by subtraction between the two. You figure the actual net results, computed on the value of the two. I get these figures from the expert of the Tariff Commission, who assures me that they are absolutely correct.

Mr. WALSH of Massachusetts. A reduction from 65 per cent ad valorem to 55 per cent ad valorem is a reduction of 10 per cent.

Mr. EDGE. Oh, no; not in net results.

Mr. WALSH of Massachusetts. The Senator means, considering the value of the product?

Mr. EDGE. I am discussing the ad valorem computed upon the value of the product, of course.

The duty on the articles in the third section, globes and shades, is increased from 65 to 85 per cent, which is an increase of 30.8 per cent.

Fourth, the duty on all other illuminating glassware and parts thereof is decreased from 65 per cent to 60 per cent, a decrease of 7.7 per cent.

That is the computation made by the experts of the Tariff Commission as a result of the Senate Finance Committee's recommendation covering this paragraph. If we are considering these paragraphs from the standpoint of facts, from the standpoint of merit, we can not consider that everything must be a decrease simply because there is a general tendency to want decreases. We have shown our desire to be guided by facts; and in showing that desire we recommend three decreases because the facts warrant them. We recommend one increase because the facts warrant that. If the decreases are to be acquiesced in, it would seem to me that proportionately the increases must be acquiesced in, or, of course, the bill will be all lopsided.

Mr. HARRISON. Mr. President, will the Senator yield?

Mr. EDGE. I yield to the Senator for a question.

Mr. HARRISON. The Senator has talked about how wonderfully the committee has done in giving some decreases. Is it not a fact that on prisms, for instance, you have decreased the duty, and prisms are not made in this country? Is not that true?

Mr. EDGE. They are made in this country to some extent, Mr. President.

Mr. HARRISON. The figures show that the production of prisms in this country is practically negligible. They are all imported.

Now I want to ask a question about chimneys.

Mr. BARKLEY. Mr. President—

Mr. SMOOT. The net result in this paragraph is a decrease. There is no question at all about that.

Mr. BARKLEY. I want to say to the Senator that the increase to 85 per cent on globes and shades represents an increase from 60 per cent, which is the present law. The House fixed a flat rate of 65 per cent on all these imports.

Mr. SMOOT. That is right.

Mr. BARKLEY. It is undoubtedly true that we import a good many prisms, and yet the committee has reduced the rate on them. My information is that the importations of globes and shades are not serious.

Mr. SMOOT. The importations have increased from some \$72,000 in 1920 or 1921 up to over \$1,000,000 last year.

Mr. BARKLEY. The principal foreign competition at the present time is in blown globes and shades imported largely from Czechoslovakia, so far as the country is concerned, from which they come. Information obtained from importers, how-

ever—this is a statement from the Tariff Commission—indicates that a large proportion of the imports in recent years consists of prisms. The latter articles are not made in the United States.

Mr. SMOOT. Mr. President, the importations of globes and shades alone are over a million dollars; and that, as I say, has increased from 1920 to 1921, I think, from \$72,000 to over \$1,000,000 last year.

Mr. BARKLEY. Even that is not very large for importations. I was wondering, in view of the large increase in this rate from 60 to 85 per cent, whether the Senator would not agree to let it go back.

Mr. SMOOT. Will not the Senator allow it to go to conference? Then we will look it up and see what the condition is. Let the whole paragraph go to conference.

Mr. BARKLEY. If it goes to conference, the only thing in conference will be the difference between 65 and 85 per cent.

Mr. SMOOT. Yes; that is true.

Mr. BARKLEY. So that we are bound to have an increase there.

Mr. SMOOT. The Senator does not say there should not be an increase up to 65 per cent, does he?

Mr. BARKLEY. No; I do not say that. I was hoping the Senator would agree to amend his amendment so as to reduce it from 85 to 65 per cent, and then it will go into conference.

Mr. SMOOT. I should like the Senator to agree to it and let it go to conference. If there is any other information on the subject, it may be brought to our attention there.

Mr. BARKLEY. I do not feel justified in agreeing to this 85 per cent rate.

Mr. REED. Mr. President, a very large amount of this product is made in the neighborhood in which I live. The American lamp-chimney industry is in pretty good shape. The imports of lamp chimneys are not considerable. For that reason it seemed to us wise to reduce the duty there even below the rate of the 1922 law.

Exactly the contrary picture is presented on prisms. Our domestic production is negligible. We have to go abroad for most of them, and there we thought we were justified in making a very considerable increase. But on the globes and the shades, where the balance between the foreigner and the American is more exact, the competition has been such as to compel idleness for a very large proportion of the men engaged in that industry in this country.

Let me give the Senate some typical cases. The ordinary electric shade 7 inches in diameter, the bell shade, costs abroad 66 cents, and its landed cost in New York is \$1.32. In spite of the competition which has driven this business down to cost, the lowest American price of that same article is \$2.75. The duty of 85 per cent, although it seems large, will not suffice to make up the difference between the foreign landing cost and the cost here.

This industry has been declining in its output in recent years to a very marked degree. The production fell off about 20 per cent between 1925 and 1927. It seems to me that where we can not compete at all, as in prisms, or where we can compete successfully, as in lamp chimneys, it would not be fair for me to ask a continuance of the high duty, but in behalf of the men of the industry, the trained glass workers who are engaged in making these ordinary electric-light shades and globes, I do appeal to the Senate to give them a chance to continue at their work.

I hope the Senator from Kentucky will agree to accept this, because the net result of it is a decrease of the rates fixed in the bill as it passed the House.

Mr. BARKLEY. Mr. President, I do not feel justified in voting for this increase, but I do not care to discuss it any further, and I ask for a vote.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York [Mr. CORLEMAN] to the committee amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the amendment as amended.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator from Mississippi will state his inquiry.

Mr. HARRISON. I want a separate vote on the item of globes and shades, 85 per cent ad valorem.

The VICE PRESIDENT. The question is on the committee amendment as amended, and the Senator from Mississippi asks for a division of the amendment.

Mr. HARRISON. I ask for a separate vote on the item "globes and shades, 85 per cent ad valorem."

Mr. BARKLEY. Mr. President, in order to have a vote on that particular item, it seems to me the orderly process would be to offer an amendment to change the rate from 85 per cent to whatever figure the Senator has in mind.

Mr. HARRISON. Mr. President, I move as a substitute that 85 per cent be made 65 per cent. That would give an increase of 5 per cent over the rate in the present law.

Mr. SMOOT. I hope the Senator will not press that.

Mr. HARRISON. I am going to press it.

Mr. WALSH of Massachusetts. Mr. President, what is the average value of the imported globes and shades that come into this country. Are they expensive articles, or are they cheap articles? What is the average price of these imports?

Mr. REED. They run from 50 cents up to \$4.50.

Mr. WALSH of Massachusetts. Are they the globes and shades which are in common use?

Mr. REED. Oh, yes.

Mr. WALSH of Massachusetts. They are not the more expensive articles?

Mr. REED. I do not so understand, although a \$4.50 shade, foreign cost, is a pretty expensive article. Such a shade would sell in the United States for \$16 or \$17.

Mr. BLACK. Mr. President, I would like to ask the Senator from Pennsylvania a question. As I understand, the Senator states the duty on lamp chimneys has been reduced?

Mr. REED. Yes, Mr. President.

Mr. BLACK. Why can American industry compete in chimneys with a lower rate than on globes and shades?

Mr. REED. Because we make them in mass production, and the element of labor does not enter into the production nearly so much as it does in the production of the globes and the shades, which require very skilled handwork. It is for the preservation of that skilled workmanship that I am pleading.

The competitive situation justifies the reduction in the other items, but on globes and shades it really means the livelihood of thousands of men. The trade was built up originally by immigrants from Belgium, who settled in the Monongahela Valley, and they called the town where they settled by the same name as the town from which they came in Belgium, Charleroi. This business is the livelihood of a considerable population there, and I assure Senators that it is not to bring dividends to the company, though they have not been prosperous, but it is to keep those men at work that I am pleading. I have been there myself, I have been in the communities, I have known their difficulties of unemployment, and I say to the Senate in all honesty that it is a case of necessity.

Mr. WALSH of Massachusetts. Mr. President, I have some figures here the accuracy of which I would like to test. These figures are to the effect that the articles in this paragraph in 1927 show a domestic production of \$11,528,682.

Mr. REED. That is true, but that includes chimneys.

Mr. WALSH of Massachusetts. The imports were, in all, \$983,086, or 8.54 per cent of the domestic production.

Mr. REED. Those figures are accurate, but the trouble with them is that all the articles are lumped. The domestic production is very largely accounted for by the production of chimneys, on which we are reducing the duties.

Mr. WALSH of Massachusetts. Do the same companies manufacture all these various articles?

Mr. REED. No; some companies manufacture more than one variety, of course.

Mr. WALSH of Massachusetts. Are there separate companies manufacturing globes and shades?

Mr. REED. I believe so. The Macbeth-Evans Glass Co., which used to manufacture mostly chimneys, is now, I understand, trying to manufacture the globes and shades largely. With the coming of the electric light the lamp chimney has become less important.

Mr. WALSH of Massachusetts. The information that I have is that the exports are more than the imports.

Mr. REED. Last year the imports were \$1,021,000, and the exports were \$971,000. The exports were very largely of lamp chimneys.

Mr. WALSH of Massachusetts. The further information I have is that only one person appeared before the committee recommending any change in these items.

Mr. REED. I have letters and appeals from a great many.

Mr. WALSH of Massachusetts. I am referring to the evidence. This memorandum I have is a summary of the evidence, and it states that only one witness appeared, namely, Mr. Thomas W. McCreary, representing the Illuminated Glass Guild; he is the only one who appeared before the subcommittee advocating any changes.

Mr. REED. He came representing the organization of the workmen. I do not think any manufacturer came, but I have a great mass of appeals from them in letters.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Mississippi [Mr. HARRISON] to the committee amendment.

Mr. HARRISON. Mr. President, before we vote on this proposition let me refresh the minds of Senators as to what happened yesterday, just in order to show how this bill was framed and what is attempted to be done by those in charge of the bill.

Those gentlemen who framed the bill deliberately reduced the duty on china clay in order to force the Senator from Georgia [Mr. GEORGE], a member of the committee, to try to increase it. The Senator from Utah shakes his head, but we know a little about practical politics. So, while they were attempting to reduce the duty on clay, they increased the price, high, away up, on the finished product made in some of the New England States, as well as New Jersey. But that was not the worst part about the thing, although the Senate repudiated it. When the vote was taken yesterday, following a suggestion upon my part that a limitation of debate of five minutes on each speaker be put into effect, it was objected to by the Senator from Pennsylvania, because he wanted to speak at length upon it, and several hours of time were frittered away. Of course, our side was forced to reply. I excused myself from speaking at all on it, although I did want to say something, in order at the last to get a vote. But before we voted, to show how the leadership in charge of this bill upon the part of the Republican Party led some of you Senators into a trap, they discarded the high rates carried by the House in some instances and reduced them, cut them out; but when the vote came they refused to follow their own recommendations and voted to insert the House increases.

Ah, the Senator from Utah now shakes his head and says he did not. I say he did.

Mr. SMOOT. Mr. President—

Mr. HARRISON. Wait one minute, now. Let me finish up with you on this proposition, because such hypocrisy as that ought to be revealed—

Mr. SMOOT. There is not any hypocrisy in it.

Mr. HARRISON. So that when gentlemen whose seats are located on the other side enter the Chamber and inquire, "What is the vote about?" they will not repeat that performance in the future. The vote yesterday came on the proposition of striking out, on line 15, page 40, "10 cents per dozen pieces and." That was the recommendation of the Republican majority of the committee; they wanted to strike it out. When the vote was taken, a vote "yea" would have meant a vote to strike it out. The Senator from Utah voted "no," and the Senator from Pennsylvania and the Senator from New Jersey and others voted "no," because you thought from the argument that you had the power and the votes to have adopted the high rate carried in the bill, and you did not want even to follow us when we were standing with you on your recommendation to strike that out. That is what happened, and that can not be denied, and that is a piece of hypocrisy and jugglery about which the Senators over there ought to know, because they have to follow you in other provisions.

Now I yield to the Senator from Utah.

Mr. SMOOT. I will tell the truth of the matter.

Mr. HARRISON. Are not those the facts, may I ask the Senator?

Mr. SMOOT. I want to say something about it.

Mr. HARRISON. Will not the Senator now state that those are the facts as I have stated them?

Mr. SMOOT. I will answer the Senator.

Mr. HARRISON. All right. The Senator will answer, but he does not deny that those are the facts, and the Record shows it.

Here is the proposition: My friend from New Jersey says, "Oh, we have reduced the rate on prisms, we have reduced the rate on lamp chimneys, but we have increased it on shades and globes." Why did they increase the rate on lamp chimneys? Simply because there are few importations of lamp chimneys. They are produced in this country. There is a pretty appreciable exportation of lamp chimneys, and you knew there was no need of keeping the high rate, so you reduced it from 60 per cent to 55 per cent. You should have reduced it further.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. HARRISON. Yes; I yield.

Mr. BARKLEY. In addition to the exports of lamp chimneys, which amounted to \$326,000, we exported last year \$644,000 worth of globes and shades.

Mr. HARRISON. I was coming to that. Now, on prisms you reduced the rate because they are not produced in the United States. If they are, the production is negligible. The information I get from the Tariff Commission is that they are not produced here; that they are all imported to this country. Then why do you keep the high rate you are keeping in this measure? Of course you reduced it. The purpose was to try to reduce it on those two items so the rate on globes and shades could be jacked up.

The Senator from Pennsylvania, who generally speaks with accuracy, said a while ago that of course we export some nine hundred thousand and odd dollars of these items, but that it is mostly lamp chimneys that we export. The facts are, as revealed by the Summary of Tariff Information, that lamp chimneys are only about one-third of the value of our exports. In 1928 we exported \$320,000 of lamp chimneys, while of globes and shades, which it is desired to increase from 60 per cent to 85 per cent, we exported \$644,000. We imported in this class altogether only about \$1,000,000, and yet the basis of the request of the Republican majority is that they want to help American labor in this way.

Mr. WALSH of Massachusetts. Mr. President, can the Senator state the extent of the imports of globes and shades?

Mr. HARRISON. It is not separately stated, but the entire imports were about \$1,000,000.

Mr. WALSH of Massachusetts. That includes prisms?

Mr. HARRISON. Prisms and lamp chimneys, globes, and shades.

Mr. WALSH of Massachusetts. It is admitted that the chimneys and prisms are not produced in this country?

Mr. HARRISON. Yes.

Mr. WALSH of Massachusetts. Therefore it is fair to argue that there are as many globes and shades exported as there are imported.

Mr. HARRISON. Yes. Every time it is proposed to increase the rate the argument is that it is done to help American labor. Yesterday the distinguished Senator from West Virginia [Mr. Goff] addressed the Senate, and one would think that he was on the hustings of West Virginia making a political speech involving his reelection. How he did talk for American labor! What he is trying to do is to help some greedy, avaricious, selfish interest that is now piling up high profits in the manufacture of some particular article by reason of high tariff rates.

I submit that 60 per cent ad valorem on shades and globes is quite enough tax to charge the American consumer. I submit that to increase it to 85 per cent is indefensible and inexcusable, and before it is done there will be a roll call to see who wants to increase the price of that item to the American consumer.

Mr. SMOOT. Mr. President, I want to refer to the statement made by the Senator from Mississippi which virtually charged the majority members of the committee with deception, if not dishonesty. I want to tell the Senate just what happened.

The committee proposed to strike out on page 40, line 17, the words "10 cents per dozen pieces and." Then we added the following provision:

In addition to the foregoing there shall be paid the following duties: On cups, saucers, or plates, valued at not more than 50 cents per dozen, 10 cents per dozen; on cups and saucers imported as units, valued at not more than 50 cents per dozen units, 10 cents per dozen separate pieces.

Mr. President, when that amendment was rejected by the Senate the question of the 10 cents per dozen separate pieces did not apply to the articles containing 25 per cent or more of painted, colored, tinted, or stained. The "10 cents per dozen pieces" going out, it left out the item of "10 cents per dozen pieces and" as well, and therefore, having acted upon the first "10 cents per dozen pieces" and it being rejected by the committee, which was to take the place of the amendment in line 15, it then became necessary to disagree to that amendment and leave the provision as the House had it.

That is why we voted against the committee amendment. The committee amendment that struck out another provision which had been put in to cover both classes of cups and saucers was rejected, and after the Senate defeated the one, then the only thing to do was to try to sustain the House provision of 10 cents per dozen pieces, and the only way that could be done was to vote against the committee amendment. If the committee amendment had been agreed to in the first place, then there would have been no necessity for voting against the committee amendment in line 15.

That is the truth of the matter. It covers the whole thing. I know very well that the people, if they will look at it, will see that there was no intention on the part of the committee to disagree to any committee amendment in any way, but after we had proposed to transfer the item in one place and were defeated upon that proposition, then the question reverted back to the original proposition, and of course having been defeated upon the one the only thing we could do in order to have a rate of 10 cents per dozen pieces was to vote against the other committee amendment.

Mr. COPELAND. Mr. President, several times during the past two weeks I voted for an increase in tariff rates. I think in this particular case, as pointed out by the Senator from Mississippi, it would be a great mistake to give the high rate proposed by the committee. There is no article imported for

illumination purposes that justifies a rate of 85 per cent ad valorem. Certainly, as pointed out, where we have manufactures amounting to over \$12,000,000 and imports of less than \$1,000,000, and at the same time exports of this class of glassware in excess of our imports, there is no justification for such a high rate. I shall vote for a lower rate than the 85 per cent proposed by the committee. I have here letters from concerns in my State pointing out what this will mean to the public if the proposed high rate is imposed.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Mississippi to the amendment of the committee.

Mr. REED. Mr. President, will not the Senator modify his amendment and make it at least 75 per cent? It will have to go to conference anyway.

Mr. HARRISON. I am willing to make it 70 per cent so it can go to conference on that basis.

Mr. REED. I hope the Senator will make it 75 per cent.

Mr. HARRISON. I ask for the yeas and nays on the amendment.

The VICE PRESIDENT. Does the Senator from Mississippi modify his amendment?

Mr. SMOOT. Mr. President, I prefer, rather than take the time for a roll call and perhaps not be able to get a quorum for some time, to accept the Senator's proposal of 70 per cent and vote upon that, although I want to say frankly that I do not believe that is the proper rate.

The VICE PRESIDENT. Does the Senator from Mississippi modify his amendment to the amendment?

Mr. HARRISON. I modify it and make it 70 per cent with that understanding.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 45, subparagraph (c), in line 16, in the committee amendment, the Senator from Mississippi proposes to strike out "85" and insert in lieu thereof "70," so as to make the subparagraph read:

(c) Illuminating articles of every description, finished or unfinished, wholly or in chief value of glass, for use in connection with artificial illumination: Prisms, 30 per cent ad valorem; chimneys, 55 per cent ad valorem; globes and shades, 70 per cent ad valorem; all others, and parts thereof, 60 per cent ad valorem.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Mississippi to the amendment of the committee.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment.

The CHIEF CLERK. On page 46, paragraph 218, subsection (3), the committee proposes, in line 2, to strike out "70 per cent" and insert in lieu thereof "82½ per cent," so as to make the subparagraph read:

(c) Bottles and jars, wholly or in chief value of glass, of the character used or designed to be used as containers of perfume, talcum powder, toilet water, or other toilet preparations, and bottles, vials, and jars, wholly or in chief value of glass, fitted with or designed for use with ground-glass stoppers, 82½ per cent ad valorem.

Mr. EDGE obtained the floor.

Mr. COPELAND. Mr. President, may I ask the Senator if he will yield to enable me to present an amendment to the amendment?

Mr. EDGE. Certainly.

Mr. COPELAND. I move, on page 46, line 2, to strike out "82½ per cent," as proposed by the committee, and insert in lieu thereof "65 per cent."

Mr. EDGE. The amendment to the amendment, of course, is pending?

The VICE PRESIDENT. The question is on the amendment of the Senator from New York to the amendment of the committee.

Mr. EDGE. Mr. President, I desire to speak on the amendment and on the paragraph as proposed by the Finance Committee.

I presume, under existing conditions, any appeal to maintain an industry which, from absolutely indisputable information, is rapidly being put out of business, is futile. Nevertheless, I consider it my duty, very briefly, to present the situation as it exists in this country to-day with relation to the glass-blowing and handmade bottle industry.

As I think all Senators understand, previous to a very few years ago all of our bottle ware, jars, and so forth were made by hand; in other words, through the operation of the individual workmen known as glass blowers. It is an industry that has had a very historic and artistic side as well as a practical one.

The artistic side, going back 100 years or more, developed some unusual and beautiful types of glassware which to-day are kept in collections as relics of an industry which, as I said, is being rapidly put out of business. It is being put out of business, of course, by modern appliances, as to the general use of which I have not the slightest criticism or objection.

But, Mr. President, even with this development it is absolutely essential to maintain some glass-blowing establishments, because with all the ingenuity of the inventor there has not yet been invented a type of machine which will produce the various types of bottles of the rarer or more expensive quality, particularly perfumery bottles. We all know of the rare and exquisite designs of some types of perfumery bottles and some bottles used for other purposes. The best class of that type of bottles can not be made by machinery. There are also handmade types of glassware for scientific purposes requiring very careful workmanship that can not be made by the use of any machinery. Therefore it is absolutely imperative that we retain in this country, through a protective tariff, the nucleus at least of the old handmade glass-blowing industry.

Over in Italy, as we well know, Venetian glass and some of the most beautiful designs in France and other sections of the Old World are made in the same manner entirely by the hand process.

Mr. HARRISON. Mr. President, will the Senator yield for a question?

Mr. EDGE. I have only 10 minutes. I hope the Senator will permit me to make my statement. I am afraid it will require the full 10 minutes to do so; otherwise I would be glad to yield.

The committee investigated the situation with a great deal of care. I have here the selling price or the selling differential. It was impossible to secure the actual costs abroad. The differential in the selling prices as prepared by the Tariff Commission on the imported handmade bottle and our own handmade bottle, taking 25 different types of bottles in order to try to reach an average, demonstrates a considerable differential between the domestic bottle produced in this country and the foreign bottles imported. The present duty is 55 per cent and the House suggests a duty of 70 per cent, while the Senate Finance Committee proposes to increase it to 82½ per cent. While in some classes of bottles the domestic price is not in excess, yet in many instances it is necessarily greatly in excess. For instance, samples 1, 2, 3, and 4 show a lesser foreign selling price, with the proposed 82½ per cent duty included and all profits, per gross, of \$4.42, \$4.18, \$1.31, and \$3.08. A few others taken at random are \$8.50, \$10.46, and \$6.14, with some cases of reduction, as I have already stated.

Mr. President, there are about 4,000 men who are still employed in this industry. There are, to the best of my knowledge, a total of five or six plants left, located in Illinois, in New Jersey—one small plant had to close up and go out of business during the last year—and two plants in Maryland, in the neighborhood of Baltimore. I think those are the only existing plants in this country.

We received during our consideration of this particular paragraph much testimony, which I will not have time to read, both from representatives of the industry and representatives of labor. The telegram which I hold in my hand is from the president of the Glass Bottle Blowers' Association representing the 4,000 men who are still left. The telegram is as follows:

ATLANTIC CITY, N. J., July 24, 1929.

We are making a last desperate appeal to you on behalf of the glass blower whose only chance of continued employment making cologne and toilet bottles depends upon a rate of 82½ per cent ad valorem in section 218 of the new tariff act. We hope and pray you will grant us this rate in order that our people will have jobs that will enable them to support their families.

JAMES MALONEY,

President Glass Bottle Blowers' Association.

That is a sentimental appeal, it is true. Nevertheless, Mr. President, it is based on facts. Unless this duty shall be raised or maintained reasonably within the 82½ per cent basis, just as the one concern has closed in New Jersey, the other five concerns in the country will go out of business, so far as handmade glass blown bottles of the character described in the paragraph are concerned, and we will have to depend entirely upon importations of that class of commodities made by the hand process. This amendment providing for an increase appeals to me very strongly, and I hope that the Senate of the United States will recognize that this is an industry that we at least should be charitable enough to permit to continue in business.

Mr. BARKLEY. Mr. President, will the Senator from New Jersey yield to me?

The VICE PRESIDENT. Does the Senator from New Jersey yield to the Senator from Kentucky?

Mr. EDGE. I will be glad to yield to the Senator from Kentucky if he will yield to me a minute or two if I shall need it.

Mr. BARKLEY. I understand that the present rate on these bottles is 55 per cent?

Mr. EDGE. That is the present law.

Mr. BARKLEY. And that the rate under the House bill is 70 per cent?

Mr. EDGE. That is correct.

Mr. BARKLEY. I appreciate very much what the Senator from New Jersey has stated, and I realize that a large portion of the cost of these bottles is in labor, because they are hand blown.

Mr. EDGE. Practically entirely so.

Mr. BARKLEY. But an increase from 55 per cent to 82½ per cent seems to be very considerable.

Mr. EDGE. The rate proposed, as the Senator will see, is 50 per cent over the present rate of 55 per cent. An application has been made under the flexible provision for an increase in the rate, which, of course, could not exceed 82½ per cent. So the request to the committee was based on the new rate of duty which would be provided if the President should pass favorably upon the application.

Mr. BARKLEY. That is true, but that seems to presuppose that the President will grant the application for a 50 per cent increase.

Mr. EDGE. I do not think those interested in the industry so intended. They have shown in the differentials to which I have referred—and which, with the permission of the Senate, I shall have inserted in the RECORD complete—that an 82½ per cent duty will not close the gap in many instances.

The VICE PRESIDENT. Without objection, the request of the Senator from New Jersey to insert the table referred to will be granted.

The table is as follows:

Glass stoppered perfume bottles: Comparison of domestic selling prices f. o. b. New York City of specific domestic bottles with calculated cost to importer of comparable bottles from France c. i. f. New York City, not including duty, and with duty computed at various rates, together with the weighted and unweighted averages for such bottles at New York City for 1927

[Per gross]

Sample number	Selling price of domestic bottles at New York City, including transportation	Calculated cost to importer of French bottles c. i. f. New York City ¹				Difference between selling price of domestic and cost to importer of foreign bottles		
		Ex-duty	Including duty of 55 per cent ad valorem	Including duty of 70 per cent ad valorem	Including duty of 82½ per cent ad valorem	Including duty of 55 per cent	Including duty of 70 per cent	Including duty of 82½ per cent
1.....	\$17.50	\$7.28	\$11.15	\$12.20	\$13.08	\$6.35	\$5.30	\$4.42
2.....	15.35	6.20	9.51	10.41	11.17	5.84	4.94	4.18
3.....	17.15	8.92	13.53	14.79	15.84	3.62	2.36	1.31
4.....	16.50	7.44	11.43	12.52	13.42	5.07	3.98	3.08
5.....	16.50	9.93	15.26	16.71	17.92	1.24	— .21	—1.42
6 ²	19.75	6.37	9.62	10.51	11.25	10.13	9.24	8.50
7.....	22.60	14.49	21.73	23.67	25.36	.87	—1.11	—2.76
8 ³	18.00	13.82	21.29	23.33	25.03	—3.29	—5.33	—7.03
9 ³	14.90	10.75	16.56	18.14	19.46	—1.66	—3.24	—4.56
10.....	15.65	7.95	12.16	13.31	14.27	3.49	2.34	1.38
11.....	17.35	8.90	13.55	14.82	15.88	3.80	2.53	1.41

¹ Cost to importer includes price at factory, packed, and calculated transportation costs and other charges from factory to New York City.

² Less than 1 gross imported.

³ Bottles 8, 9, and 15 constitute in quantity about 90 per cent of the imports of the bottles shown in the table, and about 41 per cent of all glass perfume bottles imported.

Glass stoppered perfume bottles: Comparison of domestic selling prices f. o. b. New York City of specific domestic bottles with calculated cost to importer of comparable bottles from France c. i. f. New York City, not including duty, and with duty computed at various rates, together with the weighted and unweighted averages for such bottles at New York City for 1927—Continued

[Per gross]

Sample number	Selling price of domestic bottles at New York City, including transportation	Calculated cost to importer of French bottles c. i. f. New York City				Difference between selling price of domestic and cost to importer of foreign bottles		
		Ex-duty	Including duty of 55 per cent ad valorem	Including duty of 70 per cent ad valorem	Including duty of 82½ per cent ad valorem	Including duty of 55 per cent	Including duty of 70 per cent	Including duty of 82½ per cent
12.	\$17.00	\$7.70	\$11.80	\$12.62	\$13.85	\$5.20	\$4.08	\$3.15
13.	16.50	12.40	19.04	20.86	22.37	-2.54	-4.36	-5.87
14.	22.00	11.42	17.40	19.03	20.39	4.60	2.97	1.61
15.	25.00	16.78	25.85	28.32	30.38	-.85	-3.32	-5.38
16.	48.00	21.20	32.09	35.06	37.54	15.91	12.94	10.46
17.	25.00	12.97	19.94	21.85	23.43	5.06	3.15	1.57
18.	42.50	24.06	36.70	40.15	43.02	5.80	2.35	-.52
19.	34.80	15.70	23.42	25.53	27.28	11.38	9.27	7.52
20.	30.05	13.78	20.53	22.38	23.91	9.52	7.67	6.14
21.	39.65	18.84	28.63	30.54	32.63	11.62	9.11	7.02
22.	34.00	14.40	22.00	24.07	25.80	12.00	9.93	8.20
23.	32.00	17.74	26.61	29.03	31.05	5.39	2.97	.95
24.	50.52	22.32	34.31	37.58	40.31	16.21	12.94	10.21
25.	160.00	104.38	159.92	175.07	187.70	.08	-15.07	-27.70
Weighted average.	21.50	12.24	18.85	20.65	22.15	2.65	-.85	-.65
Unweighted average.	30.73	16.63	25.34	27.72	29.70	5.39	3.01	1.04

*Bottles 8, 9, and 15 constitute in quantity about 90 per cent of the imports of the bottles shown in the table, and about 41 per cent of all glass perfume bottles imported.

Mr. EDGE. Permit me to read just a paragraph from Mr. Maloney's testimony, which, to some extent, is responsive to the query of the Senator from Kentucky. Mr. Maloney, answering a question propounded to him by the Senator from Kentucky [Mr. BARKLEY], made this reply:

Every little increase helps us, Senator. I said to the representative of the manufacturers that 82½ per cent was not enough to cover it, but we had asked the President for 50 per cent. We could not ask for any more, and in order to be consistent we put the 50 per cent in here, which makes the duty 82½ per cent.

Senator BARKLEY. On a given quality of bottles, what American bottler or purchaser would buy a given type of homemade bottle and pay \$4.63 more for it—

That was the differential presented to the committee—

than he could get the same thing for in France? What type of home industry is willing to buy that type of bottle in the United States, in spite of the advantage he could have by purchasing it from France?

Mr. MALONEY. It might be, Senator, that the production of the American factory might be a little better. This is a new business, a new industry, and we know now that our people are being displaced.

That is the machinemade article of which he is speaking—

They are pretty nearly gone. We are just like a drowning man, grasping at anything. That is why we are grasping at this. We know that we can not get any more. The Ways and Means Committee gave us only 65 per cent—

He is wrong in that respect. The House committee gave 70 per cent—

and, heavens and earth, I guess we ran them ragged. I guess they hated the sight of us.

He goes on and makes a very appealing argument.

Mr. BLACK. Mr. President—

The VICE PRESIDENT. Does the Senator from New Jersey yield to the Senator from Alabama?

Mr. EDGE. I yield.

The VICE PRESIDENT. The time of the Senator from New Jersey has expired.

Mr. BLACK. Then in my time I desire to ask the Senator from New Jersey a question. Has the Tariff Commission acted upon this request?

Mr. EDGE. I beg the Senator's pardon; I did not hear his question.

Mr. BLACK. Has the Tariff Commission acted upon the request for an increase of duty?

Mr. EDGE. No; the investigation has not as yet been completed.

Mr. McKELLAR obtained the floor.

Mr. EDGE. Mr. President, may I in the time of the Senator from Tennessee offer an amendment, as I understand my time has expired?

Mr. McKELLAR. Certainly.

Mr. EDGE. I desire to offer an amendment to the paragraph which will make perfectly clear the intent of the committee that the 82½ per cent rate shall apply alone to handmade bottles. There has been some question—and I think perhaps there is basis for it—that the paragraph would also provide a duty

of 82½ per cent on machinemade cologne bottles and other bottles of similar type. The amendment which I will offer will make the 82½ per cent rate apply alone to bottles made by hand. I think that will meet many of the objections which I have heard from the importers.

Mr. McKELLAR. Mr. President, in answer to the Senator from New Jersey I wish to call attention to some of the evidence in this case given on the part of some of the companies engaged in the business. I first quote from the top of page 456 of the volume of the Senate hearings on Schedules 1, 2, and 3. The Senator from New Jersey [Mr. EDGE] asked Mr. Leach this question:

Senator EDGE. It would not make any difference what the decision of the court was then?

Mr. LEACH. No, sir. But still we could not exist on 70 per cent.

Senator EDGE. What rate of duty have you asked for?

Mr. LEACH. We asked for 82½ per cent, because that was the rate under the flexible tariff law, basing the original rate at 55 per cent.

After that examination the Senator from Utah [Mr. KING] took hold of the witness, and let us see what the condition of his business was as disclosed by the testimony. Remember it is a business which the witness said could not exist without a duty of 82½ per cent:

Senator KING. What company do you represent?

Mr. LEACH. The Carr-Lowrey Glass Co., of Baltimore, Md.

Senator KING. What is your capital stock?

Mr. LEACH. \$50,000.

Senator KING. How long have you been in business?

Mr. LEACH. Forty years.

Senator KING. What assets have you got?

Senator REED. Senator, he explained that he is also in the machine-blowing business.

Senator KING. I understand, Senator.

Mr. LEACH. We have been in business 40 years.

Senator KING. What is your output per annum, of everything in the glassware line?

Mr. LEACH. I have not those figures with me, Senator, and I could not answer.

Senator KING. You have some idea, have you not?

Mr. LEACH. No. I would not want to say.

"I would not want to say!" We will see in a moment what was the condition of this impoverished business. The Senator from Utah [Mr. KING] had to pull the facts out of the witness.

Senator KING. What is your position in the company?

Mr. LEACH. I am going to answer your question. You asked me when we started.

He said he would answer the question by answering another one.

Senator KING. You did not answer my question, so I went to another.

Mr. LEACH. I am trying to answer. We started 40 years ago with \$50,000 capital, and you asked what our assets are.

Senator KING. The value of them.

Mr. LEACH. About \$750,000 built up in 40 years.

Is that an impoverished concern? Is that concern in the horribly poor condition which the Senator from New Jersey has

just depicted? It has been paying dividends and been paying salaries to its officers and has grown from \$50,000 to \$750,000. I see no signs of commercial decay in that business. It has been progressive; it has been built up under a very high rate of tariff, indeed, yet the witness declined to give a statement as to the business of his company. He was not frank with the Senator who was examining him, but that Senator had to pull out of the witness the information which he sought. Yet, despite the evidence as to the condition of the company the witness testified that this kind of business is absolutely in need, that it can not exist under the rate in the present tariff law, but needs additional duties.

Mr. EDGE. Mr. President—

Mr. McKELLAR. I yield to the Senator from New Jersey.

Mr. EDGE. Of course, after the speech of the Senator from Tennessee it probably will not make any difference; but if the Senator wants the facts, let me say that this concern is a large concern—there is no doubt about that—but we are not discussing machinemade goods. The company represented by the witness no doubt has hundreds of machines, but the rate proposed does not apply to the goods made by machines or any importations of machinemade goods.

Mr. McKELLAR. Let me say there—

Mr. EDGE. If the Senator will pardon me for just a moment more, they are asking for a duty on handmade goods; and the particular plant referred to has a handmade branch, of course, but it also produces machinemade goods.

Mr. BARKLEY. Mr. President—

Mr. McKELLAR. Wait a moment. I wish to answer the suggestion of the Senator from New Jersey. I quote further from the testimony:

Senator KING. When you come here for the purpose of saying that you are losing your business, it would seem to me that you ought to know what you are producing.

Mr. LEACH. We are working 12 shops in the hand industry.

Mr. GOLDSBOROUGH. Mr. President, will the Senator from Tennessee yield to me?

Mr. McKELLAR. I yield.

Mr. GOLDSBOROUGH. Inasmuch as the Senator has referred to two firms or corporations in the city of Baltimore in my State, the Carr-Lowrey Glass Co. and the Swindell Bros., I think I should answer the Senator.

Mr. McKELLAR. I will be very glad to have the Senator answer in my time, although it is short, because the representative of the companies, Mr. Leach, did not answer for himself, and I take pleasure in allowing the Senator from Maryland to answer.

Mr. GOLDSBOROUGH. Mr. President, both of the concerns to which the Senator has referred are not engaged alone in the making of hand-blown bottles; they are engaged also in other lines. The particular tariff rate now under consideration applies simply to hand-blown or handmade bottles. The Senator from Tennessee is reading testimony on the part of the witness which has reference to his entire business and not to this particular branch of his business. That is a distinction which the Senator does not make.

Mr. McKELLAR. It is a distinction that the witness did not make, it is a distinction that the proposed amendment does not make.

Mr. GOLDSBOROUGH. The Senator's assumption is in error.

Mr. McKELLAR. No; because there is proposed an increase to 82½ per cent.

Mr. BLACK. Another amendment has been offered.

Mr. McKELLAR. I did not know that. I am talking about the second amendment; I am talking about the increase of the tariff rate. Here is a great wealthy company engaged in the glass business making enormous profits, paying excellent dividends, increasing its business, building its business up, and undoubtedly it is as prosperous a business as anyone ever read about; yet they are not satisfied with the present rate of 70 per cent—I believe that is the rate under the present law.

Mr. EDGE. The present rate is 55 per cent.

Mr. McKELLAR. The rate was increased by the House from 55 per cent to 70 per cent and the Senate committee comes along and increases it to 82½ per cent. It is absolutely indefensible and ought to be voted down.

Mr. GOLDSBOROUGH. Mr. President, I desire to remark in answer to the Senator that there are, I think, only about 3,000 hand-blown glassworkers left in the United States. Unless the tariff rate proposed shall be granted, they will absolutely have to go out of business, and, as I understand, the concern carrying on this business in my State, unless a tariff rate of 82½ per cent ad valorem shall be granted, will absolutely have to shut down.

Mr. COUZENS. Mr. President, I offer as a substitute for the 82½ per cent on line 2, page 46, "75 per cent."

The VICE PRESIDENT. There is an amendment already pending.

Mr. COUZENS. Who offered it?

The VICE PRESIDENT. The Senator from New York [Mr. COPELAND].

Mr. SMOOT. I will ask the Senator from New York if he will not withdraw that amendment.

Mr. COUZENS. I forgot that the Senator from New York had an amendment pending. I offer, as a substitute, 75 per cent. I ask the Senator from New York if that is agreeable?

Mr. McKELLAR. Mr. President, will the Senator from Michigan yield? I want to ask the Senator whether his amendment applies solely to hand-blown bottles and stoppers?

Mr. COUZENS. Absolutely.

Mr. McKELLAR. It does not apply generally, as in the amendment offered by the Senator from New York?

Mr. COUZENS. No; solely to hand-worked glass.

The VICE PRESIDENT. Let the Chair state that under the rule, this being an amendment to strike out and insert, the amendment of the Senator from New York is subject to amendment, and the amendment proposed by the Senator from Michigan is in order.

Mr. COUZENS. I offer the amendment proposing "75 per cent" instead of "82½ per cent."

Mr. BARKLEY. So far as I am concerned, I have no objection to that amendment in that form.

Mr. COPELAND. Mr. President, I am not sure that I shall object to this amendment, provided it carries with it the language proposed by the Senator from New Jersey.

Mr. EDGE. If the Senator will yield, I should like to have read the amendment that I have presented, which has not been stated. Then we will have that point entirely clear.

The VICE PRESIDENT. Let the amendment be stated in the Senator's time.

The CHIEF CLERK. The Senator from New Jersey offers the following amendment:

On page 46, line 2, after the comma following the word "stoppers," insert the following:

All the foregoing not produced by automatic machine, regardless of the method of manufacture of the stoppers or covers.

Mr. EDGE. I may say that that is an amendment prepared by the Tariff Commission.

Mr. COPELAND. Now the Senator from Michigan proposes "75 per cent" in place of the 82½ per cent?

Mr. COUZENS. That is correct.

Mr. COPELAND. Let me ask a question. It will be recalled that under the tariff act of 1922 the duty on these bottles was placed at 50 per cent, as I recall—

Mr. SMOOT. Fifty-five per cent.

Mr. COPELAND. But there was a misapprehension, a deletion, a mistake in the bill, so that there had to be a ruling by the Treasury Department.

Mr. EDGE. If the Senator will permit me, I can enlighten him on that. I did not have time to include it in my remarks. The Senator is entirely correct; and at the present moment there is an average of 90 per cent refund coming back to all the importers in the country because of the Customs Court decision, which in effect lowered the prevailing duty of 55 per cent to in the neighborhood of 5 per cent; and at the present moment there is a duty of approximately 5 per cent only on these products.

Mr. COPELAND. I want to be sure that we do not fall into a similar error now.

If the joint amendments—the amendment of the Senator from New Jersey and the amendment of the Senator from New York—should prevail, then this paragraph in the bill would relate only to hand-ground bottles, would it not? But where, then, would the common bottle with a glass stopper come? That is what we want to be sure about.

If I may make a suggestion to the Senator from New Jersey, I think this amendment should read "60 per cent," or whatever the amount is—I should say 60, or, to take the House bill, 70 per cent—and then have a proviso that hand-blown bottles with glass stoppers shall have a tax of 75 per cent. It must be understood by the Senate that this item as it is now written applies not alone to the high-grade, expensive, hand-blown bottles used for perfumery but it also applies to the simple, cheapest product of the automatic bottle-making machinery.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. EDGE. The expert who prepared that amendment—Mr. Koch, who is sitting by my side—said that he spent considerable

time over it, and felt that that was absolutely safe, and the only practical way to try to make the exceptions.

Mr. COPELAND. In order to save time, I ask unanimous consent that this item may go over for a few minutes, in order to see if we can not work out an amendment.

Mr. EDGE. If we adopt the item there will be no trouble afterwards in changing the phraseology. We want to meet exactly the same conditions.

Mr. COPELAND. But this is exactly what would happen: If these two amendments are received, the item then will apply to all these bottles, and they will fall into a higher rate. We must be sure that they do not.

Mr. EDGE. No; the Senator is incorrect about that.

Mr. GOFF. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from West Virginia?

Mr. COPELAND. I yield.

Mr. GOFF. I want to ask the Senator from New York if he will include in his request for unanimous consent that this matter be passed over for a short time that it go over until to-morrow—

SEVERAL SENATORS. I object.

Mr. GOFF. So that we can get together and consider this question, because I have in my possession some facts which indicate that the hand blowers will be absolutely put out of commission and will no longer be able to compete with the foreign importers if the tariff is reduced.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. BARKLEY. Mr. President, may I have the attention of the Senator from New Jersey? I think there is something in the contention of the Senator from New York. This paragraph applies to all types of bottles, whether machine or hand made. Now, if you insert your amendment so as to make this rate applicable only to handmade bottles, you eliminate machine-made bottles from consideration in the paragraph.

Mr. EDGE. That is correct.

Mr. BARKLEY. So that you will have to add either another paragraph or other language in there to take care of machine-blown bottles.

Mr. EDGE. No; my understanding from the expert is that then all machine-blown bottles will go in the general paragraph, 217.

Mr. WALSH of Massachusetts. Is that paragraph 217?

Mr. EDGE. Yes.

Mr. McKELLAR. Let us get it right.

Mr. WALSH of Massachusetts. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Massachusetts?

Mr. BARKLEY. Just a moment. I want to ask the Senator, now, this question: If we fix a rate on these hand-blown bottles that is considerably higher than the rate on machine-blown bottles, do we not run the risk of driving the American consumer to the use of machine-blown bottles, so that we will actually do more harm to the glass blower than we would otherwise?

Mr. EDGE. Mr. President, that is a very pertinent question. That question arose, and I think if we go through the testimony we will find it answered. I brought up the question, and I have no doubt the Senator from Kentucky did. The answer, in general, was that so many of these bottles are so exclusive—in fact, practically all of them are exclusive—that they are a luxury. These particular bottles are used only for that type of perfumery that sells at a very high price per ounce, or whatever it may be; so that the glass blowers' representatives did not fear that that would in any way exclude the general business of handmade bottles. It is just an exclusive luxury type of commodity.

Mr. TYDINGS. Mr. President, if there is any difference in phraseology in this amendment, I hope the Senator from New York will follow the suggestion made by the Senator from West Virginia and let that feature go over until another day.

I hope the amendment will be agreed upon to increase the tariff on these bottles. Up to this time I have voted consistently to reduce the tariff on practically every article thus far considered, although many people from my State have appealed to me to vote otherwise. I have tried, however, to take the position of inquiring as fairly as I could into the facts, and voting for protection where a real case was made out which seemed to show that protection was needed. In this case I think the facts are overwhelmingly on the side of an increase in the tariff on these hand-blown glass bottles.

Again, as pointed out by the Senator from New York [Mr. EDGE], there is the fact that these bottles are a luxury, and a tax upon them will not be a heavy tax upon the poor people of this country. If an increase in the cost of bottles resulted from an increase in the tariff it certainly would fall on those best able to pay it, and would not affect the great masses of the people.

I think anyone who will read the table showing the difference between the cost of manufacture of these bottles, which are luxuries, in America as compared with France, for example, can not escape the conclusion that these people prove that they can not remain in this class of glass manufacture unless some increase is given them.

Up to the present time I have tried to vote on each case, regardless of how it affected my own State, strictly on its merits. The other day, when my colleague from Maryland [Mr. GOLDSBOROUGH] offered the amendment to increase the tariff on olive oil, I took the opposite position from that taken by him, because, even though we had a local industry in Maryland canning olive oil, I did not believe that the tariff was just or sound as set forth in his amendment. I do think that in reference to these glass bottles the facts are overwhelmingly on the side of an increased rate.

I will just read one or two of the cost figures of American bottles and French bottles, to show the present difference.

The domestic selling price in the United States of bottles in No. 1 category is \$17.46. The same French article, selling in France, sells for \$7.03. I do not think anyone disputes that figure. That makes a difference of 70 per cent in favor of the French manufacturers of bottles. The French advantage can not be argued away. There is no way in the world that these men in America who pay substantial wages to glass blowers can compete with this type of article as manufactured now in France.

So I might go through the whole list; but, in order to avoid a long discussion, I ask to have these figures printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered. The matter referred to is as follows:

SALIENT FEATURES OF APPEAL OF THE GLASS BOTTLE BLOWERS' ASSOCIATION FOR INCREASED DUTY ON PERFUME BOTTLES

We favor the amendment of the Finance Committee contained in paragraph 218, subparagraph "E," carrying a duty of 82½ per cent.

This is justified by the report of the experts of the Tariff Commission which shows about 100 per cent difference in cost on comparable articles similar in use and construction. These figures are the result of more than a year's research and cost allocation.

The amendment is further justified by the increasing importations also testified to by the said experts.

The blowing of a perfume bottle is a delicate art. Therefore, it is purely a handmade article. We testify that our skilled mechanics, working on perfume bottles, have been reduced from thousands to a few hundreds in the last few years.

We submit herewith the cost findings of the Tariff Commission and increased-duty comparison worked out by ourselves.

Summary of Tariff Information, 1929
(Page 518)

	Domes- tic ar- ticle, selling price in United States	French article, selling price in France	70 per cent	United States advan- tage	French advan- tage	United States advan- tage	82½ per cent French advan- tage
1.	\$17.46	\$7.03	\$11.95		\$5.51		\$4.63
2.	15.32	6.02	10.23		5.09		4.34
3.	17.10	8.39	14.26		2.84		1.06
4.	16.47	7.25	12.32		4.15		2.62
5.	16.46	9.69	16.47	\$0.01		\$1.21	
6.	19.68	5.91	10.05		9.63		8.88
7.	22.39	13.17	22.39	Same.		1.65	
8.	17.95	13.39	23.10	5.15		6.84	
9.	14.87	10.56	17.95	3.08		3.39	
10.	15.60	7.66	13.02		1.58		.65
11.	17.28	8.46	14.38		2.90		1.84
12.	16.97	7.45	12.66		4.81		3.37
13.	16.45	12.08	20.53		3.56		2.06
14.	21.93	10.87	18.43		3.45		2.07
15.	24.91	16.49	28.05	3.14		5.20	
16.	47.82	19.80	33.66		14.16		11.66
17.	24.97	12.68	21.56		3.41		1.85
18.	42.32	22.98	39.06		3.26		.38
19.	34.44	14.04	23.86		10.58		8.83
20.	29.84	12.28	20.91		8.93		7.40
21.	39.80	16.71	28.40		10.90		8.77
22.	33.90	13.82	23.49		10.41		8.66
23.	31.71	16.13	27.42		4.29		2.25
24.	50.45	21.80	37.06		13.39		10.64
25.	159.51	100.99	170.70	11.69		24.50	
Average.			23.07				

Mr. TYDINGS. In conclusion I express the hope that the tariff suggested will be incorporated in the bill, and the further hope that the Senator from New York will not delay the matter, and, if there is need for a change in phraseology, that he will not ask that it go over until to-morrow, but will let that come

up later; and I am sure we will all try to get together and compromise our differences.

Mr. GOFF. I ask to have the amendment of the Senator from New York stated.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 46, line 2, in lieu of the numerals "82½," it is proposed to insert "75," so that it will read:

Ground-glass stoppers, 75 per cent ad valorem.

Mr. COPELAND. The original amendment was 65 per cent, but now I want to change my amendment, and I hope Senators will bear with me a moment.

There is no difference of opinion here, I am sure. We all recognize that the hand-blown glass-stoppered bottle is one kind of a bottle and the automatic machinemade bottle, which is universally used in every doctor's office and every household in America, is a different kind of a bottle.

I propose this amendment, and I will ask Senators not to annihilate me until they see its significance. The rate I propose may be open to debate, but the thing I have in mind is covered by this amendment. I propose this: That on line 2, page 46, the comma and the rest of the sentence be stricken out and that we insert the words "if produced by automatic machine, 65 per cent ad valorem, and when not so produced the rate shall be 75 per cent ad valorem."

As I said, we may discuss the rate I have proposed, but this would make a distinction between the hand-blown and machine-made bottles. All the argument which has been presented here by the Senator from New Jersey and others is as to the protection of the limited number of persons engaged in a dying industry. I have no objection to that. I want to help them, too. But this covers a bottle that is sold in every 5 and 10 cent store; is used in every household in America. It is not right that the same rate should be placed upon the automatically made bottle as is placed on the bottle which is hand blown. If we are here to try to serve the public, I believe we may by the addition of 10 per cent to the present rate, which is 55 per cent, give encouragement to the production of the machinemade bottle and at the same time protect the maker of the hand-blown bottle.

Mr. SMOOT. Mr. President, I hope the Senate will approve the amendment offered by the Senator, and if there is anything in it at all we will find out about it in conference.

Mr. COPELAND. The thing will go to conference in exactly the same way, and at the same time we will be avoiding the mistake that the Congress fell into in 1922.

Mr. SMOOT. I will accept the Senator's amendment.

Mr. COPELAND. The Senator accepts my amendment?

Mr. SMOOT. Yes.

Mr. GEORGE. Mr. President, I have no objection to accepting the amendment, but accepting it with these rates makes it likely that we will get a very lopsided bottle schedule. I believe the Senator proposes 65 per cent on all kinds of machine-made bottles. I think it needs further consideration if we are going to do that. If it goes to conference with the understanding that the rates in this bill applicable to other bottles be inserted in place of the rate which the Senator from New York suggests, all well and good; otherwise I would not agree to it.

Mr. SMOOT. That is exactly what will be considered in conference.

Mr. GEORGE. In paragraph 217 and in other paragraphs the matter the Senator from New York has in mind is covered, and his amendment is not necessary at all, in my opinion; but if the rates that are already in the bill applicable to other bottles are finally inserted in the amendment offered by the Senator from New York, I would have no objection.

Mr. SMOOT. That is exactly what the conferees would naturally do.

Mr. HARRISON. Mr. President, may I say just a word with reference to this matter? The item of hand-blown bottles presents the strongest case for labor among all the items in the bill. It is estimated that 75 per cent of the cost of production is labor, and it is one item in which I think labor can really be helped. I have great sympathy for those people, because the march of progress is going gradually to drive them out of the hand-blown bottle manufacture. In time they will have to meet this new-fangled machinery-made bottle.

Mr. EDGE. Mr. President, the Senator, showing that Christ-mas spirit, which we greatly appreciate, would he be satisfied to go back to the 82½ per cent?

Mr. HARRISON. No; I am not satisfied to do that. We said we would stand for 75 per cent.

Mr. HATFIELD. Mr. President, I seriously doubt whether the 75 per cent would take care of the situation. The industry in West Virginia pays out something over \$12,000,000 in wages

yearly. I hold in my hand a telegram dated September 7, addressed to me as Senator, which reads as follows:

MORGANTOWN, W. VA., September 7, 1929.

Senator H. D. HATFIELD,

Washington, D. C.:

The members of Local Union 77, American Flint Glass Workers' Union, of Morgantown, W. Va., plead with you to support a higher rate of tariff on blown tumblers and stem ware than the 60 per cent to be submitted to your body, and would urge your influence for 85 per cent rate on this line of glassware.

NORRIS B. WEIBEL, Secretary.

I have a script letter, dated May 1, calling my attention to the idleness among the glassworkers of West Virginia and dealing with the same rate that is asked in the telegram. I have an additional letter, dated September 6, making the same appeal. I ask that these letters be printed in the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN FLINT GLASS WORKERS'

UNION OF NORTH AMERICA,

May 1, 1929.

Hon. H. D. HATFIELD,

Washington, D. C.

DEAR SIR: At a meeting of Local Union No. 10 of the American Flint Glass Workers, Moundsville, W. Va., the question of imported glassware was discussed and find that our members are being forced into idleness due to the amount of glassware that is imported, and on which there is very little protection.

Our national vice president and secretary, Joseph M. Gillooley and Charles J. Shipman, and a committee from the Glass Manufacturers Association were before the Ways and Means Committee with a request that the tariff on glass be based upon the American valuation, and submitted briefs to show that a change in the method of valuation was necessary if the American glassworker was to get any work at his trade.

I was instructed to ask you to give favorable consideration to a tariff on glass based upon the American valuation, and thereby aid the glass business in getting back to a full-time basis in place of half or no time.

The members of our organization all over the State will appreciate favorable action in this matter.

Truly yours,

JOHN W. MARTIN,

1107 Third Street, Moundsville, W. Va.

AMERICAN FLINT GLASS WORKERS'

UNION OF NORTH AMERICA,

September 6, 1929.

Hon. H. D. HATFIELD,

United States Senator.

MY DEAR SENATOR: At a full meeting of the glassworkers of St. Marys I was instructed to communicate with you in reference to an increase in the tariff on glassware.

We wish to draw your attention to the fact that West Virginia is a large glass-producing State, but in recent years business has fallen off to an alarming extent; many factories have been compelled to suspend operations, with the result that a large number of our men have been thrown out of employment, due largely to foreign competition.

You will kindly note that the importation of glassware has been steadily on the increase during the past nine years, which means that American money is being spent to keep foreign workmen employed, while American citizens are compelled to walk the streets in idleness.

We respectfully solicit your support at this time and earnestly hope that you will do all that you can to protect this industry, so that it will be preserved to citizens of your State as well as to the United States in general.

Respectfully submitted by yours sincerely,

JOS. S. BEWICK, Assistant Secretary,

110 First Street, St. Marys, W. Va.

(Signed by manufacturer and workers.)

H. W. Hownstein, L. Brown, C. F. Hoffman, Frank Peters, Henry Banfield, C. L. Ott, Stanley Vingle, Joe Brown, John Messman, H. Hagen, J. H. Wolfram, A. G. Zihlman, R. M. Barnett, Nelson Hammond, J. Mason, G. Johnson, Charles Seitz, sr., Walter Kizinski, Edmund Golden, William D. Stout, Paramount Glass Co., S. Kazinski.

Mr. SMOOT. Mr. President, the item just spoken of by the Senator from West Virginia is not found in this but in another paragraph.

The VICE PRESIDENT. It is understood that the first amendment proposed by the Senator from New York [Mr. COPELAND] and the amendment proposed by the Senator from Michigan [Mr. COUZENS] are withdrawn, and the vote will now come

on the second amendment proposed by the Senator from New York. That amendment will be reported.

Mr. COUZENS. I do not understand how the Senator has proposed to amend the rate.

The VICE PRESIDENT. Let the amendment be reported.

The CHIEF CLERK. The Senator from New York proposes to strike out on line 2, page 46, all after the word "stoppers" and the comma, and to insert the words "if produced by automatic machine, 65 per cent ad valorem, and where not so produced the rate shall be 75 per cent ad valorem."

Mr. COUZENS. I am willing to accept that.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

The VICE PRESIDENT. The Secretary will state the next amendment.

The next amendment was, on page 47, line 20, after the word "Provided," to strike out "That none of the foregoing shall be subject to a less rate of duty than 50 per cent ad valorem: *Provided further.*"

The amendment was agreed to.

The next amendment was, on page 47, in line 23, after the word "shall," to strike out "contain 50" and insert "be denied entry unless such boxes contain 50 or 100," so as to make the paragraph read:

PAR. 219. Cylinder, crown, and sheet glass, by whatever process made, and for whatever purpose used, not exceeding 150 square inches, 1½ cents per pound; above that, and not exceeding 384 square inches, 2½ cents per pound; above that, and not exceeding 720 square inches, 2½ cents per pound; above that, and not exceeding 864 square inches, 2½ cents per pound; above that, and not exceeding 1,200 square inches, 3 cents per pound; above that, and not exceeding 2,400 square inches, 3½ cents per pound; above that, 3½ cents per pound: *Provided*, That cylinder, crown, and sheet glass, imported in boxes, shall be denied entry unless such boxes contain 50 or 100 square feet, as nearly as sizes will permit, and the duty shall be computed thereon according to the actual weight of glass.

Mr. BARKLEY. Mr. President, I desire to offer an amendment to the Senate committee amendment. I move to strike out, in line 23, the words "be denied entry unless such boxes." I want to strike that language out.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. COUZENS. I had written out an amendment in line with what the Senator has stated, and I wonder if the Senator would mind if I sent it to the desk and had it read?

Mr. BARKLEY. I would be glad to have that done.

Mr. COUZENS. I think this is just what the Senator is asking for, and if he will take it as a substitute for his amendment I think it will be satisfactory.

The VICE PRESIDENT. The Senator from Michigan asks that the amendment he proposes to the amendment of the committee be read. The clerk will read.

The CHIEF CLERK. On page 47, line 22, the Senator from Michigan proposes that the language shall read:

That cylinder, crown, and sheet glass, imported in boxes, shall be denied entry unless packed in units containing 50 square feet or 100 square feet as nearly as sizes will permit, and the duty shall be computed thereon according to the actual weight of glass.

Mr. BARKLEY. Mr. President, that is not exactly what I had in mind. What I wanted to do was to provide that it shall be shipped in units of 50 or 100 square feet, or multiples thereof. I do not see any reason why these boxes should be limited either to fifty or a hundred square feet. If a man wants to ship a box containing 400 square feet, he ought to be allowed to do it.

Mr. COUZENS. The Senator and I are in accord. This says "units," and he wants to use the word "multiples." It does not make any difference whether we say "units" or "multiples."

Mr. BARKLEY. The word "multiples," I think, makes the object we are seeking clearer.

Mr. COUZENS. I accept that modification of my amendment.

The VICE PRESIDENT. The Secretary will report the amendment to the amendment as modified.

The CHIEF CLERK (reading):

That cylinder, crown, and sheet glass, imported in boxes, shall be denied entry unless packed in multiples containing 50 square feet or 100 square feet as nearly as sizes will permit, and the duty shall be computed thereon according to actual weight of glass.

Mr. BARKLEY. Mr. President, that is not precisely correct yet. The words "multiples of," I think, ought to be used. It

would be better to let the word "unit" remain where it is, and after the word "hundred" put the words "or multiples thereof." That, I think, would accomplish the purpose.

Mr. SMOOT. The better place to put the words would be after the word "contain," so as to read "be denied entry unless boxes contain the multiples of 50 or 100 square feet."

Mr. REED. "Multiples of 50 square feet" would be arithmetically the same thing. A multiple of 50 would certainly be a multiple of a hundred.

The VICE PRESIDENT. Will not the Senator from Kentucky prepare the amendment he wants to have read?

Mr. BARKLEY. I want the words "multiples thereof" to come after the words "100 square feet," because there could not be a multiple of 50, probably, except the same kind of a multiple that would apply to a hundred.

Mr. REED. It might be 250.

Mr. BARKLEY. That would still be a multiple of 50.

Mr. REED. But not of 100.

Mr. COUZENS. "Units" certainly means more than one.

Mr. BARKLEY. I think the language ought to be left as it is as to the word "unit," and then after the words "one hundred" the words "or multiples thereof" should be inserted, so that it would apply to the hundred.

The VICE PRESIDENT. The Secretary will report the amendment as modified.

The CHIEF CLERK (reading):

That cylinder, crown, and sheet glass, imported in boxes, shall be denied entry unless packed in units containing 50 square feet or 100 square feet, or multiples thereof, as nearly as sizes permit, and the duty shall be computed thereon according to the actual weight of glass.

Mr. REED. Mr. President, if the box contains 150 square feet or 250 square feet, it would not be within that clause.

Mr. BARKLEY. Instead of "multiples thereof" let us say "multiples of either."

Mr. REED. That is all right.

The VICE PRESIDENT. The Secretary will report.

The CHIEF CLERK (reading):

Containing 50 square feet or 100 square feet, or multiples of either.

The VICE PRESIDENT. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. HARRISON. Mr. President, I want to say just one word. I congratulate the gentlemen who had this in charge for having cured this terrible joker that was reported out of the committee.

The VICE PRESIDENT. The question is on agreeing to the amendment as amended.

The amendment as amended was agreed to.

The next amendment was, on page 48, line 6, after "Par. 221," to strike out "rolled glass, not sheet glass, whether or not fluted, figured, ribbed, or rough, or the same containing a wire netting within itself: Not exceeding 384 square inches, 1 cent per square foot; all above that, 2 cents per square foot; and all the foregoing weighing over 100 pounds per 100 square feet, shall be subject to an additional duty on the excess at the same rates herein imposed: *Provided*, That all the above glass, and cylinder, crown, and sheet glass, when ground wholly or in part, and rolled or sheet glass not less than one-fourth of 1 inch in thickness when obscured in any manner, shall be subject to the same rate of duty as plate glass" and in lieu thereof to insert "rolled glass (not sheet glass) fluted, figured, ribbed, or rough, or the same containing a wire netting within itself, 1½ cents per pound: *Provided*, That all the above glass, and cylinder, crown, and sheet glass, when ground wholly or in part (whether or not polished) otherwise than for the purpose of ornamentation, and rolled, cylinder, crown, and sheet glass, not less than one-eighth of 1 inch in thickness, when obscured in any manner, shall be subject to the same rate of duty as plate glass."

The VICE PRESIDENT. The question is on the amendment of the committee.

Mr. REED. Mr. President, I think that perhaps the language in line 24 goes beyond the intent of the committee. The Senate will notice that it provides that "rolled, cylinder, crown, and sheet glass, not less than one-eighth of 1 inch in thickness, when obscured in any manner, shall be subject to the same rate of duty as plate glass." That would mean that what is commonly called "ground glass," which is obscured by sanding or by rough grinding, would be classed as plate glass. There is no real reason why it should be. It was only a few moments ago that my attention was called to it and the suggestion made that the language does go beyond the intent. What we are trying to get at is glass like opal glass or opaque white glass used for table tops and things of that sort.

I think it would improve the section and would not impose the high plate-glass duty on the cheaper machinemade glass

if we would strike out the words, on page 49, in line 1, "in any manner," and insert in lieu thereof the words "by coloring prior to solidification," so it would read "when obscured by coloring prior to solidification" it shall be subject to the same rate of duty as plate glass. That is much more restricted and I believe would comply better with the intent of the committee.

Mr. BARKLEY. Mr. President, as I understand the amendment suggested by the Senator from Pennsylvania, under the language as it now is the rate will apply on frosted glass or any glass obscured by whatever process, and not to glass where the opaqueness is put into the glass at the time it is made.

Mr. REED. If the opacity is caused by chemicals mixed in the batch at the time the glass is molded, then we want to provide for it in this way; but if it is mere frosting, which is done by rough grinding or sometimes by acid, there is no reason why it should carry that high duty.

The amendment I have offered has been drafted by a member of the legislative drafting service. I now send it to the desk.

Mr. BARKLEY. In other words, the amendment limits the type of glass that is transferred into the plate-glass rate?

Mr. REED. Exactly.

Mr. BARKLEY. I see no objection to that. Of course that does not mean that I favor transferring anything into the plate-glass provision.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Pennsylvania to the amendment of the committee, which will be reported.

The CHIEF CLERK. On page 49, in line 1 of the committee amendment, the Senator from Pennsylvania proposes to strike out the words "in any manner" and insert in lieu thereof "by coloring prior to solidification," so as to make the paragraph read:

Rolled glass (not sheet glass) fluted, figured, ribbed, or rough, or the same containing a wire netting within itself, 1½ cents per pound: *Provided*, That all the above glass, and cylinder, crown, and sheet glass, when ground wholly or in part (whether or not polished) otherwise than for the purpose of ornamentation, and rolled, cylinder, crown, and sheet glass, not less than one-eighth of 1 inch in thickness, when obscured by coloring prior to solidification, shall be subject to the same rate of duty as plate glass.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Pennsylvania to the amendment of the committee.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question is on agreeing to the amendment as amended.

Mr. BARKLEY. Mr. President, I would like to have an explanation why this particular type of glass which is not plate glass is transferred to the plate glass section so that it bears a higher rate than it has heretofore borne and higher than is carried in this paragraph of the bill.

Mr. REED. It is carrying out a policy that is in the House bill and which I think was in the 1922 law. The law of 1922 provides that "plate glass, when ground, smoothed, or otherwise obscured, shall be subject to the same rate of duty as cast polished plate glass unsilvered." I am no expert on glass, but I think everyone knows that the line of demarcation between window glass and plate glass is gradually disappearing. The new methods of drawing window glass are producing, particularly in the center of the sheet, a glass which is optically almost as good as the polished plate glass. In time I shall not be surprised to see a tariff bill treating the two products practically as the same thing. The plate glass to-day finds competition with the sheet or drawn glass coming from Czechoslovakia. It is because this product ranges along in price with plate glass that it has been thought wise to lump it here with plate glass in the imposition of duties.

Mr. BARKLEY. But the process is not the same as in the manufacture of plate glass.

Mr. REED. The process is entirely different.

Mr. BARKLEY. The difference between this glass and ordinary window glass is that in the manufacture of it there has been a coloring process applied.

Mr. REED. Yes.

Mr. BARKLEY. But otherwise it is made like ordinary window glass.

Mr. REED. Yes; but naturally it has a limited market and is made of a different raw material.

Mr. BARKLEY. Yes; I realize that.

Mr. SMOOT. Not only that, but the change proposed by the Senate Finance Committee would eliminate certain difficulties of administration. In other words, the wording used has been suggested by the department in order to eliminate difficulties in the past as to the administration of the paragraph itself.

Mr. BARKLEY. In the plate glass paragraph I understand the present rate is 12½ cents per square foot where it is not exceeding 384 square inches. It is left in the bill as it is. Where the present rate in the bill is 19 cents, the rate in the present law is 15 cents. The present law is 17½ cents on all above 720 square inches in size, and that has been increased by the Finance Committee to 22 cents. In other words, the House bill increases the rate from 17½ cents to 22 cents and from 15 cents to 19 cents on the larger area plate-glass importation.

Mr. SMOOT. That is plate glass.

Mr. BARKLEY. So that the articles transferred into that paragraph will bear that same rate of increase, which is a considerable increase above the rate which they now bear. I am interested to know what the justification is for the increase in the rate. I have no objection to transferring an article from one paragraph to another for purposes of administration and in order to simplify the procedure of the Treasury Department, but I can not see on the present showing why there should be a tremendous increase in the rates on the article transferred, because it will bear the increased rate which plate glass takes in the bill.

Mr. REED. It is clearly just to treat rolled glass the same as plate glass because it is made by the same process of casting and rolling. Inasmuch as the other types of drawn glass compete with the rolled glass and are used for the same purpose, the committee thought it was wise to put them all together.

Mr. BARKLEY. They are not put all together in the tariff bill which fixes the rate on rolled glass and cylinder, sheet, and ground window glass.

Mr. REED. Oh, no; but rolled glass is very different from window glass.

Mr. BARKLEY. I understand.

Mr. REED. The glass that is provided for mainly in paragraph 221 is cast and rolled, and that is exactly where the process of making plate glass commences.

Mr. BARKLEY. But in the committee's proviso there is also put in the same category cylinder, crown, and sheet glass.

Mr. REED. That is simply because they are getting more and more indistinguishable each year. They are used for the same purposes and are in competition with one another.

Mr. BARKLEY. If that were true, then there would be a logical reason for including them in the same paragraph.

Mr. REED. I think some of these days they will be included in the same paragraph because we are now seeing drawn window glass put on tables and ground and polished until it is practically indistinguishable from the cast polished plate glass.

Mr. BARKLEY. Would the Senator be willing, if that transfer is made, to reduce the rate on plate glass to the rates borne by rolled glass?

Mr. REED. No, Mr. President. The rate on plate glass is fixed by presidential proclamation. As a matter of fact, the rates specified in the committee proposal on the small sizes of plate glass are less than the rates contained in the presidential proclamation. I think we have pared them down as far as it is possible to do it.

Mr. BARKLEY. Of course, we can not do anything about the increases on plate glass until we come back to this section for individual amendments from the floor. Therefore it is rather difficult to know just what rate the rolled glass will bear, and what rate cylinder, crown, and sheet glass will bear that is being transferred to the plate-glass paragraph until we have passed on the plate-glass rates.

Mr. REED. Then, does not the Senator think the wise way to handle it would be to let this go through now and if the other section is corrected by amendment from the floor this paragraph can be corrected also?

Mr. BARKLEY. I do not feel justified in agreeing to this transfer in so far as cylinder, crown, and sheet glass is concerned. I do not have any serious objection to it in so far as rolled glass is concerned, but I think there is not sufficient justification to transfer the colored window glasses which are practically the same as ordinary white window glass except that they are colored.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment as amended.

Mr. HARRISON. Then, the committee will insist on this increase on rolled glass?

Mr. SMOOT. With the amendment that has been adopted I see no reason why it should not do so.

Mr. HARRISON. It carries an increased duty. That is the reason why, and it is not justified by the facts.

Mr. SMOOT. There was a presidential proclamation with reference to plate glass.

Mr. HARRISON. But this is not plate glass. We are talking about rolled glass.

Mr. SMOOT. It comes in competition with plate glass.

Mr. HARRISON. The Senator knows what he is attempting to do here. He is trying to transfer rolled glass into another classification in order to get an increased rate on glass. That is the whole truth of the situation. If we are going to increase the rate let us meet the situation squarely.

Mr. SMOOT. It is the same in existing law.

Mr. HARRISON. But this is not the existing law.

Mr. REED. On rolled glass it is.

Mr. SMOOT. Yes; on rolled glass it is, and not only that but now in the plate-glass paragraph it takes the rate provided by the presidential proclamation.

Mr. BARKLEY. The present law reads as follows:

Provided, That all of the above plate glass, when ground, smoothed, or otherwise obscured, shall be subject to the same rate of duty as cast polished plate glass unsilvered.

That is not the language nor even the effect of the provision in the pending bill.

Mr. SMOOT. The effect of it is that it is the same rate as in the existing law, just as I stated.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment as amended.

Mr. BARKLEY. I offer as a substitute for the Senate committee amendment the language of the present law, as follows: In lieu of the language contained in the Senate committee amendment on page 48, beginning in line 17 and ending on page 49 in line 2, I move to insert the following:

Provided, That all of the above plate glass, when ground, smoothed, or otherwise obscured, shall be subject to the same rate of duty as cast polished plate glass unsilvered.

Mr. REED. Mr. President, I am told that the courts have held that the insertion of color in the molten glass is not "obscuring" within the meaning of that language. If the amendment now suggested were adopted, it would not take care of the opal glass of the various types.

The PRESIDENT pro tempore. The question is on agreeing to the amendment in the nature of a substitute proposed by the Senator from Kentucky.

Mr. HARRISON. One moment, Mr. President.

The PRESIDENT pro tempore. The Senator from Mississippi.

Mr. BARKLEY. Mr. President, it will be necessary slightly to modify the amendment to the amendment. In lieu of the language which I read I will modify my amendment to the amendment so as to read as follows:

That all of the above glass—

Striking out the word "plate"—

when ground, smoothed, or otherwise obscured, shall be subject to the same rate of duty as plate glass.

Mr. REED. Would the Senator from Kentucky add to that the words "or when obscured by the insertion of coloring matter prior to solidification," so as to meet the court decision?

Mr. BARKLEY. I think that would be satisfactory.

Mr. SMOOT. That has been agreed to.

Mr. REED. Very well.

Mr. HARRISON. Mr. President, of course it is understood that puts the same duty on the rolled glass as on the plate glass. We are not in favor of the duty that is recommended by the committee on plate glass, and while we can not offer an amendment covering that now, we shall in regular order offer such an amendment to the proposition.

Mr. REED. Mr. President, I am going to suggest—and I think the Senator from Kentucky will see that, if agreed to, it will have the same effect—that in line 23, on page 48, we strike out the words "cylinder, crown, and sheet" it will have exactly the same effect as the amendment to the amendment offered by the Senator from Kentucky.

Mr. BARKLEY. I think it would have substantially the same effect. What I am undertaking to do is to eliminate colored window glass from this provision, and that language, if agreed to, would do it.

Mr. REED. I think that clearly would do it.

Mr. BARKLEY. I accept the modification on page 48, line 23, to strike out the words "cylinder, crown, and sheet." Those words should also be stricken out in lines 20 and 21.

Mr. REED. That would introduce a new question. Why not take them one at a time? I should like the Senator to hear me for a moment upon the other suggestion if he will.

Mr. BARKLEY. Very well.

Mr. REED. But as to the change in line 23, it seems to me, striking out those words and the comma which precedes them will accomplish just what the Senator is trying to do.

Mr. BARKLEY. I do not see how we could strike out the words in one place without eliminating them elsewhere.

Mr. REED. I beg the Senator's pardon; I did not hear his suggestion.

Mr. BARKLEY. I stated that I did not see how the proposition of the Senator from Pennsylvania would accomplish the purpose by eliminating the words referred to in line 23 and leaving them in lines 20 and 21.

Mr. REED. We are dealing with different products in line 23; we are there dealing with glass obscured by the insertion of color; while in the preceding lines, lines 20 and 21, we are dealing with another product. I should like, with the permission of the Senator, to say a word before he submits his amendment to the amendment.

Mr. BARKLEY. Very well. Then we can vote on the pending amendment to the amendment.

Mr. REED. Question!

The PRESIDENT pro tempore. The question is on agreeing to the amendment proposed by the Senator from Kentucky in line 23, striking out the comma after the word "rolled" and the words "cylinder, crown, and sheet."

Mr. BARKLEY. That is right.

The PRESIDENT pro tempore. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. REED. Now, Mr. President, I wish to say a few words in reference to use of the words "cylinder, crown, and sheet" in lines 20 and 21. As I said before, I am not an expert on glass making, although I have had my initiation by having been a stockholder in a plate-glass company which failed; but I can, perhaps, explain just why those words are there in the bill.

In the old days plate glass was made by casting from a pot on the table and rolling that molten glass flat. Then, after it had cooled, putting it on a grinding table, where it was ground down by sand; then on a polishing table, where it was ground to the state of polish with which we are familiar.

That process has been very much improved in various ways, but there is still employed the process of casting and rolling and grinding and polishing. I need not go into the details of it. Window glass never could compete with that.

Window glass was originally blown at the end of a long tube by hand, as they call it, but it was really blown by mouth. When it cooled and was cut and flattened, it had the familiar irregularities that made it optically much less desirable than plate glass. So they were totally distinct products, recognizable instantly one from the other.

That process so has undergone great changes. There came the cylinder method, producing what is called cylinder glass. By that method a great cylinder 50 or 60 feet high was drawn by a machine out of a pot and it was flattened and cut into small sizes that had the same irregularities. Now the process has been improved, and there are two methods of making what is called window glass. It is drawn from a pot in flat sheets, and it has been found that glass so drawn can be put on a grinding table and a polishing table and made into a product that is just about as good for every purpose as is cast polished plate glass. A very considerable amount of that product is coming into the market and it competes directly with plate glass.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. REED. Yes.

Mr. BARKLEY. Such glass, however, is made by the window-glass process.

Mr. REED. Yes; at the beginning it is.

Mr. BARKLEY. And at window-glass cost.

Mr. REED. Oh, no; quite the contrary. It is drawn from a pot by machine and then ground and polished. Plate glass is cast from a pot onto a table rough and then ground and polished.

Mr. BARKLEY. But so far as the manufacture of window glass is concerned, where it is made by the sheet process and not by the cylinder process, up to a certain point the process of manufacture and the cost are identical.

Mr. REED. That is true, but for the kind of glass we are talking about, ground cylinder, crown, and sheet glass; window glass is really the raw material.

Mr. BARKLEY. To what extent is ordinary window glass polished or ground on either side?

Mr. REED. Ordinary window glass is neither polished nor ground, but it is this new product, made by taking thick window glass and grinding it and then polishing it, which is indistinguishable from the cast plate glass. It involves all the labor of the grinding and the labor of the polishing, and there is much labor in that, because the glass has to be set in plaster on tables, and it is a tedious and expensive business. That character of glass ought to be treated in the same way as is the ground and polished plate glass.

Mr. BARKLEY. What is the thickness of this kind of glass as compared with plate glass?

Mr. REED. It has the same range of style, as I understand. On the machine the glass can be drawn of any desired thickness, just as cast glass can be made of any desired thickness. So instead of being the very thin product that used to be blown in a window-glass factory, it may be of any thickness, just as plate glass may be.

Mr. BARKLEY. How does the total production of this wholly or in part ground cylinder, sheet, or crown glass compare with the ordinary product of window glass?

Mr. REED. I have not the figures as to that, and I do not know whether the experts have, but I do know that its production is increasing by leaps and bounds.

Mr. HARRISON. Mr. President, may I ask the Senator, in view of what he has suggested, what the increase in the rate would be? It would be 300 or 400 per cent, would it not?

Mr. REED. I have not calculated that either, but it would put it on a parity with plate glass, where it belongs.

Mr. HARRISON. It would be around three or four hundred per cent, I think. The rate would be increased from around 3½ cents a pound to about 12 or 13 cents a pound, would it not?

Mr. REED. I do not think the Senator is right as to that.

Mr. HARRISON. Would not that be the increase under the rate for which the Senator is asking?

Mr. REED. I do not think so.

Mr. SMOOT. I want to say to the Senator that 50 per cent is the plate-glass rate under the present law.

Mr. BARKLEY. But this means, so far as cylinder, crown, and sheet glass are concerned, an increase from 2½ or 2¾ cents and 3 cents up to 12½, 19, and 22 cents, which involves an increase of three or four hundred per cent in some cases.

Mr. REED. The kind of glass to which I am referring should be put on the same basis as plate glass. In 1922 this was not a practical question, but since that time this glass has come into the market and is in general use. It involves the same labor and is substantially the same finished product as the cast plate glass. The only difference is in the way in which it originates from the pot, and it ought to be treated like plate glass, but the courts have held that the term "plate glass" as used in the tariff bill means only cast plate glass and not drawn glass.

Mr. BARKLEY. It can not be possible that this partly or wholly ground window glass can cost as much in all the processes as the plate glass because up to a certain point the same course is followed as in the case of ordinary window glass. While some increase might be justified by reason of its being ground wholly or in part, I can not understand why the mere process of grinding it in whole or in part should justify an increase of three or four hundred per cent, when it can not possibly cost as much to finish it as it does to finish plate glass.

Mr. REED. It comes down to this, that the cast glass is poured out of the pot and falls on a table by gravity, while the other glass is drawn up out of the pot by machine. The difference between those two processes is very slight. They are both ground in the same way; they are both polished in the same way, and the cost is substantially the same.

Mr. BARKLEY. In either case it is done by automatic machinery, is it not?

Mr. REED. No; there is nothing automatic about it, except the drawing.

Mr. BARKLEY. It is not hand polished.

Mr. REED. The polishing table is a circular, flat, metallic table that is perhaps 20 or 25 feet in diameter, and it revolves under a number of heavy iron shoes which have sand or powder underneath them, and by their action the surface glass is ground off. They are both treated in exactly the same way. The very putting of the rough glass on the table involves a lot of labor. It is put on there, as I recall, in plaster of Paris, so that the shoes will ride smoothly from sheet to sheet and will not strike the edges. It is a long and expensive and very skilled process. Between the manufacture of the two kinds of glass there is mighty little difference to-day, except, as I have said, one of them uses the law of gravitation.

The PRESIDENT pro tempore. The time of the Senator from Pennsylvania has expired.

Mr. REED. I will speak on the bill, Mr. President.

Mr. BARKLEY. Mr. President, I am about to take the floor in my own right, and I yield to the Senator from Pennsylvania.

Mr. REED. I have almost finished.

The PRESIDENT pro tempore. That can not be done.

Mr. REED. Mr. President, a parliamentary inquiry. May I not speak on the bill?

The PRESIDENT pro tempore. The unanimous-consent agreement provides:

That in the consideration of the remainder of the committee amendments to Schedule 2 of the bill (H. R. 2667) for revision of the tariff,

or amendments proposed thereto, no Senator may speak longer than 10 minutes upon each amendment.

The Chair would say that the remedy of the Senator from Pennsylvania would be to offer a pro forma amendment.

Mr. HARRISON. I ask unanimous consent that the Senator from Pennsylvania may proceed for five minutes.

The PRESIDENT pro tempore. Is there objection?

Mr. COUZENS. Mr. President, I do not object to the Senator speaking for five minutes or any other length of time, but what is the use of establishing a rule if we are going to make exceptions every time we provide a rule. I do not think anybody ought to ask that exceptions be made.

Mr. REED. Very well, Mr. President. I move, on line 20, after the word "Provided," that the word "however" be inserted.

Mr. COUZENS. We will stop all unanimous-consent agreements if these evasive methods are going to be adopted.

Mr. REED. Very well, Mr. President; I withdraw the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment, as amended.

Mr. BARKLEY. Mr. President, I should like to have a little more light shed on this matter, and I am not reflecting on the ability of the Senator from Pennsylvania to shed light; but the result of this is to increase the rates. The rate on window glass ranges all the way from 1½ cents per pound up to 3¾ cents per pound, depending upon the size of the sheet. To transfer window glass, which may have been to some extent ground into the plate-glass schedule, means to increase those rates from 1½ and 3¾ cents per pound up to 12½ and 22 cents per square foot. I am not advised as to how many square feet it takes to make a pound, or vice versa.

Mr. REED. It depends entirely on the thickness, Mr. President. It may be as thin as an eighth of an inch. It may be an inch thick. That is why it is wise to put the duty on it by the pound.

Mr. BARKLEY. That is why it is impossible to translate into the language of the plate-glass schedule the language of the window-glass schedule, because one is on the square foot and the other is on the pound.

Mr. REED. Yes; necessarily so.

Mr. BARKLEY. But I assume that a square foot of this glass will not weigh a pound—the ordinary window glass, I should say.

Mr. REED. The ordinary window glass, no; it will not weigh a pound.

Mr. BARKLEY. So that we are increasing this rate more than the figures here really indicate.

Mr. REED. No, Mr. President; because this product on which we are making the increase may be of any thickness and, as I say, it is indistinguishable from plate glass. We will simply put the plate-glass industry out of this particular kind of production if we do not put on this protection.

Mr. BARKLEY. That rate is now the law, and has been, practically, for a good many years. I supposed that the improved processes of making plate glass had kept pace with the improved processes of making window glass.

Mr. REED. No; they have improved somewhat, but nothing like the way in which the process of making window glass has been improved.

Mr. BARKLEY. I can not support this transfer; and I hope the amendment will be rejected. I dislike to vote on a proposition when there is so much confusion about it.

The PRESIDENT pro tempore. The Chair understands the pending amendment to be one offered by the Senator from Kentucky to strike out, beginning in line 20 and ending in line 21, the words "and cylinder, crown, and sheet glass."

Mr. BARKLEY. Yes; that is the pending question. That language ought to be stricken out. Therefore, of course, I hope the amendment will be adopted.

I will say to the Senator from Pennsylvania and the Senator from Utah that I am not dogmatic on this subject. I really am seeking light upon it; but with the present showing I am unable to vote to transfer from the window-glass rate to the plate-glass rate products that will involve from 300 to 500 per cent increase in the rate which they now bear.

Mr. KEAN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Kentucky yield to the Senator from New Jersey?

Mr. BARKLEY. I yield to the Senator.

Mr. KEAN. I do not think the Senator appreciates that the whole process of making this window glass has changed in the last four or five years. It is an entirely new process.

Mr. BARKLEY. Yes; I will say to the Senator that I not only appreciate it, but when we come to the point where we can offer amendments from the floor on window glass I propose to point out the very situation to which the Senator has called attention. I can not do that now, of course, under the unanimous-consent agreement.

Mr. KEAN. These changes have changed the whole window-glass business; and plate glass and window glass are now getting so close together that it is almost impossible to tell which is which.

Mr. SMOOT. Mr. President, I want to say just a word.

Glass a quarter of an inch in thickness will weight three or four pounds to the square foot. The making of window glass itself is a cheap process. The whole cost, I was going to say, is in the polishing of the glass. That is where the cost lies. It is in the polishing of the glass; and that is what this provides for. The rates provide for the polishing of this glass. As the Senator has said, it is virtually the same as plate glass, with the exception of the thickness. I think the Senator would make a mistake if he tried to put this back.

Mr. BARKLEY. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Utah yield to the Senator from Kentucky?

Mr. SMOOT. Yes.

Mr. BARKLEY. The effect of this transfer is to deny the American people the benefit of the improved processes of making window glass, because the effect is practically to admit that the improved processes of making window glass have gone to such an extent that it is possible now to make window glass that serves certain purposes in lieu of plate glass. To put this window glass in the same paragraph with plate glass, to put this prohibitive tariff upon it—which it seems to me is what it will amount to—in effect denies to the American people the advantage which they obtain by the new processes of making window glass, because the tariff upon window glass which is partially or in whole ground is put upon the same basis as plate glass; and therefore it is a penalty upon modern methods of manufacture.

Mr. SMOOT. No; I look at it exactly the other way, Mr. President. If this is not protected, and is virtually a polished glass, and carries the same rate as window glass, what will be the result? It will all be imported from Germany. There is not any question about that.

Mr. BARKLEY. I do not think the danger will be so great from importations as from the modern processes of making the article domestically. Of course, we will draw those comparisons a little later, when we reach the window-glass schedule, so that amendments from the floor will be in order; but I think the Senator will be convinced that the real danger does not lie so much in importations as it does in the modern processes of manufacturing glass in the United States by those who have adopted the modern processes.

Mr. SMOOT. I think the Senator is absolutely mistaken. I think that if this product is to be manufactured in the United States it never can be manufactured under the rates provided for window glass. There is no doubt at all about it. So the question arises, Shall we have this character of glass manufactured in the United States? If we do not have the protection asked for, and put it on the basis of the rates on window glass, there is no question but that the industry can not exist in the United States.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator from Mississippi will state it.

Mr. HARRISON. I merely desire to know what is the pending amendment.

The PRESIDENT pro tempore. The pending amendment is the amendment proposed by the Senator from Kentucky [Mr. BARKLEY], namely, to strike out, beginning on line 20 after the word "glass," the words "and cylinder, crown, and sheet glass."

Mr. HARRISON. I call for the yeas and nays on the amendment to the amendment.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. WAGNER (when his name was called). May I inquire whether the junior Senator from Missouri [Mr. PATTERSON] has voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. WAGNER. I am paired with the junior Senator from Missouri, and not knowing how he would vote if present, I withhold my vote.

The roll call was concluded.

Mr. FESS. I desire to announce the following general pairs:

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN];

The Senator from Indiana [Mr. WATSON] with the Senator from Arkansas [Mr. ROBINSON];

The Senator from Massachusetts [Mr. GILLET] with the Senator from Maryland [Mr. TYDINGS]; and

The Senator from Kansas [Mr. CAPPER] with the Senator from Arkansas [Mr. CARAWAY].

Mr. SACKETT (after having voted in the negative). I note that my general pair, the Senator from Missouri [Mr. HAWES] has not voted. I transfer that pair to the Senator from Vermont [Mr. DALE] and allow my vote to stand.

Mr. BINGHAM (after having voted in the negative). Has the junior Senator from Virginia [Mr. GLASS] voted?

The PRESIDENT pro tempore. That Senator has not voted.

Mr. BINGHAM. I transfer my pair with the junior Senator from Virginia to the junior Senator from Maine [Mr. GOULD] and allow my vote to stand.

Mr. STEPHENS. I am paired with the junior Senator from Indiana [Mr. ROBINSON]. I transfer that pair to the junior Senator from Washington [Mr. DILL] and vote "yea."

Mr. SCHALL. I would like to have the RECORD show that my colleague [Mr. SHIPSTEAD] is absent because of illness.

Mr. SHEPPARD. The junior Senator from Utah [Mr. KING] is detained from the Senate by reason of illness. If he were present, he would vote "yea."

The result was announced—yeas 36, nays 33, as follows:

YEAS—36			
Ashurst	Connally	Howell	Simmons
Barkley	Couzens	Johnson	Smith
Black	Fletcher	Kendrick	Steck
Blaine	Frazier	La Follette	Stephens
Bleasie	George	McKellar	Swanson
Borah	Harris	Norris	Thomas, Okla.
Bratton	Harrison	Nye	Walsh, Mass.
Brock	Hayden	Schall	Walsh, Mont.
Brookhart	Heffin	Sheppard	Wheeler
NAYS—33			
Allen	Hale	Moses	Thomas, Idaho
Bingham	Hastings	Oddie	Townsend
Duncan	Hatfield	Phipps	Trammell
Edge	Hebert	Ransdell	Vandenberg
Fess	Jones	Reed	Walcott
Glenn	Kean	Sackett	Waterman
Goff	Keyes	Shortridge	
Goldsborough	McNary	Smoot	
Greene	Metcalf	Steiwer	
NOT VOTING—25			
Broussard	Gillett	Overman	Tydings
Capper	Glass	Patterson	Wagner
Caraway	Gould	Pine	Warren
Copeland	Hawes	Pittman	Watson
Cutting	King	Robinson, Ark.	
Dale	McMaster	Robinson, Ind.	
Dill	Norbeck	Shipstead	

So Mr. BARKLEY's amendment to the amendment of the committee was agreed to.

The PRESIDENT pro tempore. The question recurs upon the amendment of the committee as amended.

The amendment as amended was agreed to.

The next amendment was, on page 49, line 13, before the words "per square foot" to strike out "17 cents" and insert "13½ cents," so as to read:

(b) Plate glass containing a wire netting within itself, not exceeding 384 square inches, 13½ cents per square foot; above that, and not exceeding 720 square inches, 20 cents per square foot; all above that, 23 cents per square foot.

Mr. HARRISON. Mr. President, is this the amendment on page 49, line 8?

The PRESIDENT pro tempore. Line 13. The amendment on line 8 was previously agreed to.

Mr. HARRISON. The other is the present law. The proposal is to reduce the rate in the present law.

Mr. SMOOT. Yes.

Mr. HARRISON. There will be no controversy about this amendment.

Mr. REED. It is not reducing the rate to the present law; it is reducing the rate below the rate in the present law.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, on page 49, line 22, before the words "per square foot," to strike out "17 cents" and insert "13½ cents," so as to read:

PAR. 223. Plate, cylinder, crown, and sheet glass, by whatever process made, when made into mirrors, finished or partly finished, exceeding in size 144 square inches and not exceeding 384 square inches, 13½ cents per square foot; above that, and not exceeding 720 square inches, 20 cents per square foot; all above that, 23 cents per square foot.

The amendment was agreed to.

The next amendment was, on page 52, line 15, where the committee proposed after the word "mirrors," to insert the following: "(except framed or cased mirrors in chief value of platinum, gold, or silver)," so as to read:

(b) Glass mirrors (except framed or cased mirrors in chief value of platinum, gold, or silver), not specially provided for, not exceeding in size 144 square inches, with or without frames or cases, 50 per cent ad valorem.

Mr. HARRISON. Let us have an explanation of the amendment.

Mr. SMOOT. The exceptions mentioned go over into the metal schedule.

Mr. HARRISON. They go into a schedule where there is a higher rate?

Mr. REED. Yes. If the Senator will look at page 117, paragraph 398, he will see that they carry 65 per cent if they are of platinum, gold, or silver in chief value.

Mr. HARRISON. In other words, it is an increase from 50 per cent to 65 per cent?

Mr. SMOOT. When they are framed.

Mr. HARRISON. That is what I mean—these exceptions.

Mr. SMOOT. Yes.

Mr. HARRISON. What is the justification for that change?

Mr. REED. Mr. President, it is for the very obvious reason that a mirror in chief value of gold is an article of luxury that ought to be taxed.

Mr. BARKLEY. Why transfer the glass to the metal schedule? In other parts of the bill a different rate has been put on glass and on metals, which may be a part of the finished article. Why transfer the glass which is framed in some sort of metal to the metal schedule?

Mr. REED. Because the article being in chief value a metal, appropriately falls in the metal schedule, and it is a difficult and almost an impossible thing to separate a gold frame and tiny mirror that fits into it and appraise them together. They are invoiced together, and they ought to be considered together.

Mr. SMOOT. Not only that, but the foreigners could ship into the United States a gold frame or a platinum frame, as the case might be, and have nothing in it to speak of except just a cheap article.

Mr. BARKLEY. This is largely limited to expensive mirrors?

Mr. SMOOT. They are luxuries of the highest type.

Mr. BARKLEY. I suppose the mirror part constitutes only a small fraction of the value of the whole article?

Mr. SMOOT. Certainly.

Mr. BARKLEY. Personally I do not see any objection to that.

The PRESIDING OFFICER (Mr. Fess in the chair). The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was on page 52, beginning with line 19, to strike out:

Provided, That no mirror in a frame or case (unless such mirror, exclusive of the frame or case, is the component of chief value) shall be classified under this paragraph if it has a substantial use other than as a mirror.

(c) Glass, and manufacturers of glass, ruled or etched in any manner for photographic reproductions or engraving processes, and glass cut to size and ruled for measuring purposes, 55 per cent ad valorem.

And in lieu thereof to insert:

(c) Glass ruled or etched in any manner, and manufactures of such glass, for photographic reproduction or engraving processes, or for measuring or recording purposes, 55 per cent ad valorem.

Mr. HARRISON. Mr. President, let us have some explanation of that.

Mr. SMOOT. The rates are exactly the same. The language is rewritten so as to express the idea in much better form. The department has recommended that this wording be inserted.

Mr. HARRISON. What is the rate in the present law on glass and manufactures of glass, ruled or etched in any manner for photographic reproductions? Is that 55 per cent?

Mr. SMOOT. To which amendment is the Senator referring?

Mr. HARRISON. I am referring to the one commencing in line 24, on page 52, including the first two lines at the top of page 53. The memorandum that I have shows that the duty is raised from 20 per cent to 55 per cent.

Mr. SMOOT. It is to carry out a court decision, if I am not mistaken. A new provision was inserted by the House, paragraph 230, relating to glass and manufactures of glass, ruled or etched in any manner for photographic reproductions. A duty of 55 per cent ad valorem was imposed. Formerly ruled or etched glass for photographic reproductions was dutiable at 55 per cent ad valorem, under paragraph 218.

In 1926 the Court of Customs Appeals held that photographic glass screens were dutiable at 25 per cent ad valorem—that is, as parts of cameras—covered in paragraph 1453 of the act of 1922. That was the rate intended to be given this class of

goods, but on account of the ruling to which I have referred it was placed at 20 per cent ad valorem.

Mr. HARRISON. Then, as a matter of fact, this rate is being increased from 20 per cent to 55 per cent, and these articles are produced pretty much in this country by one concern, a concern located up in Philadelphia.

Mr. SMOOT. We are giving them exactly the same rate that was given them in the act of 1922, but the wording of the act was such that the Court of Customs Appeals held that the article fell in paragraph 1453, and we are restoring the rate fixed in the law.

Mr. BARKLEY. Mr. President, a parliamentary inquiry. What amendment is now pending? We have not acted on the amendment in subparagraph (b), have we?

Mr. SMOOT. That is the one under consideration now.

Mr. BARKLEY. We are discussing the later one. They are not the same amendment; they do not relate to the same thing. It seems to me we ought to pass on the language striking out the proviso in line 19.

The PRESIDING OFFICER. The Chair will first put the question on the amendment in lines 19 to 23.

Mr. BARKLEY. That language was stricken out simply because the House passed the bill. The Court of Customs Appeals have rendered a decision making this language unnecessary.

Mr. SMOOT. That is right.

The PRESIDING OFFICER. The question is on agreeing to the amendment to strike out the language in lines 19 to 23.

The amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment in subparagraph (c), to strike out and insert.

Mr. HARRISON. Mr. President, I do think we ought to have some information about that. It is quite true that it may be that those who framed the act of 1922 thought they were giving a 55 per cent duty, and the Court of Customs Appeals ruled that the duty was 20 per cent ad valorem, and the committee have raised it to 55 per cent. But give us some justification for this proposition. The information I have here is that these articles are made by one concern, pretty much dominating the market in this country.

Mr. SMOOT. Yes; and there are only three firms in all the world.

Mr. HARRISON. What justification is there for this rate?

Mr. REED. Mr. President, I can answer that. There are two concerns in Germany that will have a world monopoly if this industry in Philadelphia goes out of business. During the war time it was the only source of supply for this country and our allies. It was prosperous during the war. The German competition since then has been increasing, the domestic production has been declining, and it is highly necessary that we keep that industry alive. It is not going to stay alive with the duty 20 per cent.

Mr. BARKLEY. Mr. President, I find that the domestic production of these various articles of ruled glass is declining. Last year it amounted to \$200,000. But at the same time the imports amounted to only \$32,000.

Mr. REED. That is true; that is the invoice value of the imports. Take the American value of the imports and it is a good deal more than the ratio between 30 and 200,000.

Mr. BARKLEY. Of course, we are not proceeding on the basis of the American value.

Mr. REED. No; but we are considering the number of units that are brought in in contrast with the number that are made here.

Mr. BARKLEY. If this product has been coming in since 1925, or whenever the decision was rendered, at 20 per cent, and only \$30,000 worth per year are coming in, it seems they are not making any great inroads upon the American market.

Mr. REED. They are making about one-third of all that is sold here, I am told. It is a slow business to make an increase. Glass for this purpose is made of two pieces of glass on each of which, with a diamond, parallel lines are cut. These lines are etched in the glass with acid and then the two pieces are put together with the parallel lines on one plate at right angles to the parallel lines on the other, and that gives the little dots with which we are familiar in halftone pictures. It is not a very big industry. The output last year was only \$200,000. The Germans can and do undersell them. We thought, and unanimously, as I recall, that it was highly desirable to give them the protection they thought they were getting and which Congress thought it was giving in 1922, and in effect to reverse the Customs Court decision and put it down to 20 per cent.

Mr. BARKLEY. I would have no objection to their getting what they thought they were getting in 1922 if there had been

any appreciable increase in importations, but \$30,000 compared to \$200,000 is about one-seventh instead of one-third, so that under the 20 per cent rate it does not seem that there have been many importations. I imagine the 55 per cent rate might be prohibitive.

Mr. REED. I do not think so. There was a great deal of testimony taken before the House committee on the subject, and the House committee reached the same conclusion we did, that this rate is justified.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. This completes the amendments in Schedule 2.

Mr. SMOOT. Yes, Mr. President; that completes the amendments in Schedule 2.

Mr. JONES. Mr. President, I was requested to make the point of no quorum before we begin the consideration of the metal schedule.

Mr. REED. Mr. President, will not the Senator from Washington withhold the call for a moment?

Mr. JONES. Very well.

Mr. REED. I wish to ask the Senator from Utah if he will tell us when it is his intention to take up floor amendments to Schedules 1 and 2? By the time we get through the bill with committee amendments everybody will have forgotten the necessary information relating to the earlier schedules.

Mr. SMOOT. I have asked unanimous consent on three different occasions that we might take up individual amendments and thus complete the schedules as we proceed, but I have been told it can not be granted. I am not going to ask it again. I wanted very much to follow that course, because I think it is the proper way to proceed.

Mr. REED. I would like to ask those in command of the bill for the coalition whether we can not go back and clear up floor amendments in Schedules 1 and 2 before going into a lot of new subjects in the further schedules. Why do we not go back and start at the beginning and clean up Schedules 1 and 2 before proceeding to Schedule 3?

Mr. BARKLEY. Mr. President, I will say to the Senator from Pennsylvania that on account of the absence of the junior Senator from Utah [Mr. KING] and also on account of the fact that the first three schedules, especially the first and the third, are the most technical and involved and difficult of understanding in the whole bill, it was not thought desirable or fair to us to require us to introduce our individual amendments from the floor on the three schedules.

After we get through with the metal schedule, so far as I am concerned—and I think so far as anybody on this side of the Chamber is concerned—it will be entirely agreeable to clean up each schedule as we proceed; but, as the Senator will recognize, these three schedules are peculiarly technical and involved. The chemical schedule can be thoroughly understood only by chemists, and we are none of us chemists. In addition to that my colleague on the subcommittee, the junior Senator from Utah [Mr. KING], is ill, and I should not like to start into consideration of floor amendments of the three schedules in his absence.

Mr. REED. I am utterly unable to understand how it will help our understanding of the chemical schedule to go into a full discussion of the metal schedule. The easier and better way is to clean up the schedules as we reach them.

Mr. BARKLEY. It will not help the consideration of the chemical schedule to go into a consideration of the metal schedule first, but, as we stated on a former occasion, on account of the involved character of the chemical schedule we have not been prepared to offer the amendments from the floor. Delay in the matter may eliminate a good many amendments which we would otherwise be forced to offer if we had to go into it now.

Mr. EDGE. Mr. President—

The PRESIDENT pro tempore. The Senator from Pennsylvania has the floor. Does he yield to the Senator from New Jersey?

Mr. REED. I yield.

Mr. EDGE. Then I understand it is the opinion of the Senator from Kentucky, speaking for the other side of the Chamber, that when we complete the committee amendments in the metal schedule it is then the desire or intention, or there will be an agreement entered into, to go back to Schedule No. 1 for floor amendments?

Mr. BARKLEY. No; we will go right along and clean up the subsequent schedules as we reach them and then go back to Schedules 1, 2, and 3.

Mr. SMOOT. The other 13 schedules we can clean up, but the first 3 schedules we can not.

Mr. REED. In other words, somebody whose livelihood is affected by Schedule 1 will have to wait until we have gone through the whole 16 schedules to find out what we are going to do to him?

Mr. BARKLEY. The livelihood of no one can be affected until the bill passes as a whole, so it does not make any difference.

Mr. REED. That will never happen, so it does not make any difference.

Mr. HARRISON. Mr. President, does the Senator from Pennsylvania think the livelihood of anyone is going to be saved by the passage of the bill?

Mr. REED. Indeed I do.

Mr. HARRISON. The Senator thinks the bill is going to pass?

Mr. REED. I do not. I do not think the Senator is going to let it pass.

Mr. HARRISON. I thought the Senator had changed his mind since the other day when he pronounced it dead.

Mr. REED. Not at all. I think it is dead. I know the coalition is determined to wreck it first and then kill it.

Mr. HARRISON. Does not the Senator think we have moved along pretty well to-day?

Mr. REED. I think we have spasms of acting on amendments.

Mr. BARKLEY. Mr. President—

Mr. JONES. Mr. President, I renew the point of no quorum.

The PRESIDENT pro tempore. The Senator from Washington made the point of no quorum and withheld it to enable this conversation to proceed. He now renews the suggestion.

Mr. HARRISON. Mr. President, will the Senator withhold the suggestion for a moment to enable me to submit a unanimous-consent proposal?

Mr. JONES. I will do so.

Mr. HARRISON. Mr. President, on each amendment to the metal schedule I ask unanimous consent that all speeches be limited to 10 minutes.

The PRESIDENT pro tempore. Is there objection?

Mr. EDGE. Mr. President, it is obviously unfair to make a suggestion of that kind with only 10 or 12 Senators in the Chamber. We want to give every Senator an opportunity to understand the proposal. Certainly such a suggestion should be made after a quorum call.

Mr. JONES. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Washington makes the point of no quorum. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	Kean	Simmons
Ashurst	Frazier	Kendrick	Smith
Barkley	George	Keyes	Smoot
Bingham	Gillett	La Follette	Steck
Black	Glass	McKellar	Steiger
Blaine	Glenn	McNary	Stephens
Bleas	Goff	Metcalf	Swanson
Borah	Goldsborough	Moses	Thomas, Idaho
Bratton	Gould	Norbeck	Thomas, Okla.
Brock	Greene	Norris	Townsend
Brookhart	Hale	Nye	Trammell
Broussard	Harris	Oddie	Tydings
Capper	Harrison	Overman	Vandenberg
Caraway	Hastings	Patterson	Wagner
Connally	Hatfield	Phipps	Walcott
Copeland	Hawes	Pine	Walsh, Mass.
Couzens	Hayden	Ransdell	Walsh, Mont.
Cutting	Hebert	Reed	Waterman
Dale	Heflin	Sackett	Wheeler
Deneen	Howell	Schall	
Edge	Johnson	Sheppard	
Fess	Jones	Shortridge	

The PRESIDENT pro tempore. Eighty-five Senators having answered to their names a quorum is present. The Senator from Mississippi [Mr. HARRISON] asks unanimous consent that in the consideration of committee amendments to Schedule 3 of House bill 2667, for revision of the tariff, or amendments proposed thereto, no Senator may speak longer than 10 minutes upon each amendment. Is there objection?

Mr. ODDIE. I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. McKELLAR. Mr. President, would the Senator from Nevada agree to a limitation of 15 minutes?

Mr. ODDIE. Mr. President, just a brief statement. I propose to speak for something less than an hour on the manganese item. It is an item that took days for consideration before the committee. It has been under discussion outside of the Senate for a long time. It is an item of very great importance. After my statement I think we can have a vote in a very short time, but I have been obliged to summarize the matter in some notes

which I can not properly present in less than three-quarters of an hour anyway.

Mr. McKELLAR. Then, as I understand it, the Senator objects?

Mr. ODDIE. I do.

Mr. SMOOT. I ask unanimous consent that when the Senate concludes its business to-day it take a recess until 10 o'clock to-morrow morning.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The clerk will report the first amendment in Schedule 3.

The LEGISLATIVE CLERK. In paragraph 301, page 56, Schedule 3, "Metals and manufactures of" the committee proposes in line 3 to strike out "\$1.12½" and insert in lieu thereof "\$1.50," so as to read:

Iron in pigs and iron kentledge, \$1.50 per ton.

Mr. BARKLEY. Mr. President, I desire to offer an amendment to the committee amendment. In lieu of "\$1.50" I move to insert "75 cents."

The VICE PRESIDENT. The amendment will be reported.

The CHIEF CLERK. On page 56, line 3, in the committee amendment strike out "\$1.50" and insert "75 cents," so as to read:

Iron in pigs and iron kentledge, 75 cents per ton.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Kentucky to the amendment of the committee.

Mr. REED. Mr. President, does the Senator from Kentucky care to be heard on this amendment to the committee amendment? If so, I should like to reply to him.

Mr. BARKLEY. I do not at this moment.

Mr. REED. Does the "coalition" think that it does not need any argument?

Mr. BARKLEY. I am not speaking as a member of any coalition. I am offering these amendments to the committee amendments in my individual capacity as a member of the Senate and not as the result of any coalition, understanding, or agreement with any body, group, or person.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. REED. Mr. President, the tariff on pig iron was fixed at 75 cents in the act of 1922. The Tariff Commission was appealed to to make a study of the competitive conditions and the comparative costs here and abroad. They ascertained that the principal importations of pig iron were coming from British India, where a concern known as the Tata Iron & Steel Co. was making pig iron and employing labor to which they paid 14 cents a day, and that that concern was producing pig iron delivered on railway cars at its own plant at a cost of \$13.36 a ton. It is small wonder that they should do it with the rate of wages which they pay. It cost in freight charges, land and sea, and for all other expenses, to take that iron to New York \$6.65 a ton, making the delivery cost in New York \$20.01 per ton. Neither Chicago nor Pittsburgh nor Birmingham could possibly compete with that cost, and the merchant furnaces along the Atlantic seaboard, of course, can not compete with it.

In the eastern district—that is, throughout New Jersey and eastern Pennsylvania and Virginia, it costs, delivered at New York, \$27.78, or \$7.77 a ton more than the Indian iron. In the Buffalo district, where they get their ore by water from Lake Superior, they can produce it a little more cheaply, but the freight cost is greater, and their laid-down cost in New York is \$27.08 a ton, or \$7.07 more than the Indian iron costs delivered in New York.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. REED. I yield.

Mr. BROOKHART. What does it cost the United States Steel Co.?

Mr. REED. I do not know; that organization does not sell it. The United States Steel Corporation—I presume the Senator refers to them—

Mr. BROOKHART. Yes.

Mr. REED. Is not any more interested in the disposition of this question as to the duty on pig iron than the man in the moon is interested in it. It does not sell pig iron; it sometimes buys it, and when it buys it, I suppose, it is interested in buying it cheaply; but its earnings will not be affected one penny's worth by the decision of Congress in this matter.

Mr. BROOKHART. That corporation produces it, but uses all it produces, does it not?

Mr. REED. It produces molten iron for its own use; yes.

Mr. BROOKHART. And its profits are about \$75,000,000 a quarter, are they not?

Mr. REED. I do not know; its profits are very large, but they will be wholly unaffected by the decision of this question.

Mr. BROOKHART. Does not the Senator think that a wise decision of this matter would be to lower the tariff and pay a bounty to the little fellows who want to be preserved, and tax the Steel Trust on some of its profits to pay that bounty so as to equalize conditions according to the principle of the bounty?

Mr. REED. That would equalize things by taking from one taxpayer and paying a bounty to some other taxpayer.

Mr. BROOKHART. In view of the fact that we are giving to the one taxpayer governmental protection by action of the Government in the way of a protective tariff law, we have got a right to say something about the kind of profits which shall be taken.

Mr. REED. We will reach that perhaps later on. But what I am trying to say to the Senator is that the tariff on pig iron is a matter of utter indifference to the Steel Corporation.

Mr. BROOKHART. I can not see it in that way, in view of the fact that that corporation is a large producer of pig iron.

Mr. REED. Let us stop and consider that for a moment. The word pig iron is confusing in itself. The duty is not on pig iron. It is on iron in pigs. The great steel companies do not let their iron cool ordinarily; the heat that is in pig iron is worth about a dollar a ton; and they run it directly into the Jones mixer from which the steel is drawn, and that iron is kept molten all the time. The pig iron of the steel companies never gets into a condition of marketability because it never solidifies; it goes on into steel and it can not go into the market. The people who are affected, and affected very vitally, are the concerns known as the merchant furnaces—that is, the blast furnaces that make pig iron—cast it in sand molds or pig machines, and then sell it as pig iron. They are called merchant furnaces. They do not own any steel works; they can not make any other product; they can not make a thing but the cast granular article that is known as pig iron, which is not the malleable iron of commerce which is brought from the stage of being pig; it is not the steel which has been made in a steel works; but is simply the coarse, heavy article that we know as pigs—iron in pigs. It is a matter of total indifference, I say again, not only to the steel companies but to the iron companies in my own home town of Pittsburgh whether we put a duty on pig iron or whether we do not. They are better protected by the mountains and by the freight rates that are required to bring foreign iron over the mountains into the great Mississippi plain than they are protected by any tariff that we conceivably could put on.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. REED. I yield.

Mr. BROOKHART. The Senator says that it is a matter of indifference to the steel companies in his home town, but if we adopt the Hamiltonian principle of paying a bounty, then it certainly becomes important to them, because they will have to pay some of that bounty out of their profits.

Mr. REED. On the contrary, the merchant furnaces of Pittsburgh would be receiving that bounty and there would be no justification for paying it to them. If they do not ask for it, then why should we pay them a bounty? They are not suffering from foreign competition.

Mr. BROOKHART. I would not pay a bounty to anybody whose cost of production was low, but to those who have higher costs of production, as in eastern Pennsylvania, and the concerns in western Pennsylvania would have to pay the bounty to eastern Pennsylvania in order to equalize conditions.

Mr. REED. In other words, the Senator would subsidize the unfit; that is about what it amounts to.

Mr. BROOKHART. Do I understand, then, that the Senator is here defending unfit production in the eastern part of his State and wants to put up the tariff in order to protect it?

Mr. REED. Of course I am not; but there are blast furnaces in western Pennsylvania that have been abandoned because they could not effectively compete with the efficient establishments. Under the Senator's theory they would be paid a bounty, and I would not dream of asking it.

I repeat it is a matter of indifference to us, and so it is to the merchant furnaces of the Mahoning Valley in Ohio. They do not care whether there is a tariff on pig iron or not, except they are interested in seeing the industry continue in the East. So it is in Chicago. They are protected by the geography of their location. This will not make one penny's worth of difference to the embattled farmers of Iowa and not one penny's

worth more will they pay for their pig iron and for the products of that pig iron, whether we strike the duty off entirely or put it on a proper basis.

Mr. BROOKHART. It will make a vast difference to the farmers in Iowa if we succeed in retaining the debenture, to which the steel companies are opposed.

Mr. REED. We are not talking about the debenture now. The coalition put that in the bill.

Mr. BROOKHART. The debenture is a part of the bounty plan, of the general-bounty principle, that I am advocating to go clear through this bill in order to equalize conditions.

Mr. REED. Very well, but that is not what we are discussing now.

Mr. BROOKHART. The time is coming, it is very plain, if we are going to do equal justice it can not be done by raising and lowering tariff rates when we have got to go back to the bounty plan as advocated by Hamilton when he adopted the bounty principle as a part of the tariff system. Do I understand that the Senator from Pennsylvania repudiates the Hamiltonian theory?

Mr. REED. I do, and I do not believe if Hamilton lived to-day he would be advocating it to apply to any such case as this.

Mr. FESS. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Ohio?

Mr. REED. I yield.

Mr. FESS. I am interested to know to what the Senator refers when he speaks of the Hamiltonian theory of the bounty. That is entirely new to me.

Mr. REED. I recall that in some of Hamilton's writings he did mention a protective tariff or a bounty, but I never saw any lengthy exposition of it on his part, and I have assumed that the Senator from Iowa has caught at the use of the word "bounty" and defends the debenture plan by blaming it on Alexander Hamilton. I do not think it matters to Mr. Hamilton what is said about him now.

Mr. FESS. In his several reports, the one on manufactures especially, and another on strengthening the credit, he refers to encouraging American industry by the use of a protective tariff, but I do not recall that he mentioned bounty at any place.

Mr. REED. I have a vague recollection that he did in one or two instances.

Mr. BROOKHART. Mr. President, the Senator from Ohio is usually very well informed and accurate about historical questions, but he will find both in the speech of the Senator from Georgia [Mr. GEORGE] and that of the Senator from Idaho [Mr. BORAH] a review of the bounty principle as a method of equalizing conditions among industries themselves—not as between agriculture and industry but even among industries themselves. I commend to him that he study up and really learn the full import of the protective-tariff theory. If he will do so, perhaps we will get some benefit out of it for the farmers in the end.

Mr. REED. Now, Mr. President, let us get back to pig iron. Of course, I realize perfectly well that I am talking to deaf ears for the most part. I do not think if we had the tongues of angels, if we had all the proof imaginable that we could affect the decision of many of the members of the so-called coalition. Nevertheless, I want the RECORD to show what the facts are on this subject.

We have heard, Mr. President, much about distress among the farmers. The distress among the farmers in any part of this country is not comparable to the distress of those engaged in the merchant furnace industry along the Atlantic seaboard. The production of their commodity has declined in five years from 10,000,000 tons to 7,000,000 tons and a fraction; the price of their product has declined from \$28.31 per long ton in 1923 to \$21.17 per long ton in 1928. The Tariff Commission itself finds that the delivered cost of the article is over \$27 in New York. That is not my assertion, it is the assertion of the Tariff Commission. The Indian iron can be laid down in New York at \$20.01, and that is the reason for the decline in the prices and the decline in the domestic production. It is all well and good to take the amount of the molten iron made throughout the United States and say "that is the domestic production of pig iron" and contrast that with 140,000 odd tons that came in last year from India. The two do not compete; they are different articles and it is a wholly unjustifiable contrast. But, if the Indian importations be compared with the domestic production along the Atlantic seaboard, where the competition comes, it will be found that 7½ per cent of the iron that was used in that region last year came from India, made by 14-cent labor.

The effect of that was enough to beat down the price of the whole, so that it is \$6 below the cost of production.

Mr. EDGE. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from New Jersey?

Mr. REED. I yield.

Mr. EDGE. I have not heard all the Senator's argument; but has it been asserted at all that the \$1.50 per ton provided by the bill is more than the spread between any imported pig iron and that produced in this country?

Mr. REED. No; it has not been asserted. The Tariff Commission has shown us that the difference between their landed cost in New York and our cheapest landed cost in New York is \$7.07.

Mr. EDGE. I asked that question in order to follow it up with another one.

My understanding of the way this bill was to be approached by the coalition and others was that each paragraph was to be considered on the paragraph's respective merits, and that the protection theory was to apply to industry just the same as it was to agriculture. I remember the Senator from Idaho [Mr. BORAH] making that positive statement, and in effect several Senators on the other side—the Senator from North Carolina [Mr. SIMMONS] and the Senator from Georgia [Mr. GEORGE] among others. If this differential or spread can not be questioned, how can there be any hesitancy whatever in voting for the \$1.50, which, as I follow the Senator, is only perhaps one-quarter of the spread?

Mr. REED. That is exactly correct.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. REED. Yes.

Mr. BROOKHART. Upon the proposition just made by the Senator from New Jersey, I will say that if we should take the same yardstick for measuring the cost of production and apply it to American farm products and carry it through the industries, it would raise every agricultural product, and it would lower nearly all of the important industrial products.

Mr. EDGE. Would it lower pig iron if we followed that theory?

Mr. BROOKHART. Yes; it would.

Mr. EDGE. How would it lower pig iron? Will the Senator give figures to demonstrate his claim?

Mr. BROOKHART. If you will figure the wages and profits of the pig-iron companies as the farmers' wages and profits are figured, it will lower it a good deal.

Mr. REED. I challenge that, Mr. President. The proofs before the House committee showed that in this merchant-furnace industry there is invested approximately \$60,000,000, and that those companies with an investment of \$60,000,000 showed, for 1926, 1927, and 1928, an aggregate loss of \$5,078,000.

Mr. BROOKHART. Yes; but that entirely eliminates the two hundred million and odd profits of the United States Steel Corporation.

Mr. REED. Of course it does.

Mr. EDGE. Mr. President, if the Senator will yield again—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from New Jersey?

Mr. REED. I do.

Mr. EDGE. I have heard so much argument pointing out some big organization as making money in a diversified business, and that that fact should prevent other smaller concerns in the same business from being helped, that I am wondering just how the Senator from Iowa will approach, in the agricultural schedule, the argument with sugar.

I do not think it has been denied at all that the Great Western Sugar Co. have always made profits and declared many dividends; and yet it is asserted—not without the facts, in my judgment—that generally speaking the cane planters and sugar-beet planters are suffering; nevertheless, there is a large corporation that deals in that commodity that is not suffering.

Mr. BROOKHART. If the Senator had been here a moment ago, he would have caught my theory, perhaps.

Mr. EDGE. I should love to get the Senator's theory. I have tried for six years to do it.

Mr. BROOKHART. I have just pointed out that it is impossible to meet those inequalities with any mere lowering or raising of tariff rates; and on sugar all we can do is to lower the rate and pay a bounty to the sugar growers—a Hamiltonian bounty.

Mr. EDGE. Then the Senator, in presenting his bounty plan, believes that a bounty should be paid to all of the smaller interests that can not compete, perhaps in chemicals with the Du Ponts, or the sugar interests with the Great Western, or the small foundries, and so forth? He believes that we should pay a bounty? Is that his belief?

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. REED. I do.

Mr. BROOKHART. On all industries that ought to be preserved, a bounty to the producer should be paid. In the case of olive oil, which we put in the other day, that was fixed with a rate when I think it should have been done with a bounty.

This bounty proposition, which is the same as the debenture we voted to the farmers—the same theory and the same principle—is the only way in which we can equalize these tariff rates. There is no justice in protecting two hundred and odd million dollars of profits for the United States Steel Corporation and then letting another company lose \$5,000,000 that is just as efficient, so far as efficiency appears.

Mr. EDGE. Then the Senator will be opposed to a raise in the sugar rate, as I follow his argument?

The VICE PRESIDENT. May the Chair state to the Senator who has the floor that the rule specifically provides that a Senator shall yield only for a question; and the Chair hopes that rule will be observed in the future.

Mr. REED. Very well, Mr. President. I like to be courteous, though, when Senators ask me to yield.

Let me give the exact figures.

We got the statistics for 32 merchant blast furnaces. We find that in 1926 the total amount of capital invested by those 32 merchant blast furnaces was \$67,276,000; and the 32 of them, as a result of their operations in 1926, accomplished a loss of \$1,085,000. That was a loss of 1.61 per cent on the capital invested.

The next year some of them had closed down or gone out of business. The capital was less. The invested capital was \$66,434,000; and in the case of those companies then surviving the result of the year's operations was a loss of \$2,751,000, or 4.14 per cent loss on the capital invested.

Last year, 1928, still further reorganizations had taken place. The amount of invested capital was reduced. Fifty-seven million six hundred and forty-six thousand dollars was the amount reported as their total invested capital, and the net loss of all the companies was \$1,241,000, or 2.15 per cent on their invested capital.

Those furnaces are scattered all along the seaboard. They are in eastern New York, they are in eastern Pennsylvania, they are in New Jersey, they are in Maryland, they are in Virginia, and I believe there is one of them in Massachusetts. It is not a matter of speculation as to the effect of this foreign competition. I think most of the Senators have traveled north from here up through that pleasant country that lies around Reading, Pa. If they have ever gone north from Wilmington, Del., to Reading, they have passed four or five of these establishments. I did it last fall. Every one of them was shut down cold. Fine furnaces they were, capably operated, intelligently operated, nothing the matter with their product, nothing the matter with their labor—it was mostly local American labor—and every one of them was shut down cold, and had been for more than a year; some of them for almost five years.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Iowa?

Mr. REED. I yield.

Mr. BROOKHART. To illustrate my principle of bounties, I would say to the Senator that with great delight I would levy a tax on the big profits of the United States Steel Corporation to pay a bounty to those people, to keep them going.

Mr. REED. Mr. President, to put a tariff on the imported iron is a much simpler and more effective way.

Mr. BROOKHART. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania further yield to the Senator from Iowa?

Mr. REED. I seem to be in a yielding mood. Yes; I yield further.

Mr. BROOKHART. If we do that, that further increases the already extortionate profits of the Steel Corporation, further increases the price the farmer must pay for all the steel products that he uses, and creates a further inequality; and it is impossible, I say again, to equalize this tariff system in any other way than as Hamilton himself laid it down.

Mr. REED. All right. Now let us take Mr. Hamilton and the Senator from Iowa, and take that last assertion, that putting on this tariff will affect the cost of anything to the farmer. It may affect the cost to the farmer of iron castings along the Atlantic coast; and, if so, I fancy that the farmers along the Atlantic coast will be willing to pay a shade more for their iron castings in order to have a much greater prosperity in the communities to which they send their products; but as far as concerns changing the profits of the United States Steel Corporation

by one nickel, I say to the Senator that it can not do it; and this is why:

The Steel Corporation makes its iron for its own steel works. It charges itself just cost for that iron. It does not matter to it in the least what the prevailing price of merchant pig iron is in the markets along the Atlantic coast. That does not in any way affect, even indirectly, the price realized for steel products. While pig iron has been going down in the Philadelphia market from \$28 in 1923 to \$21 now, the prices of steel have not moved in any way that corresponds to that. It will not hurt the Steel Corporation if you put down the price of pig iron. It will not help it if you put it up. Correspondingly, it will not be helped if you put it down or hurt if you put it up. It does not make the slightest difference to the Steel Corporation.

Mr. BROOKHART. One of the arguments I have just made is that we can no longer control this by merely raising or lowering the rates, but we can control it by paying bounties or debentures; and we can take the excess profits of the Steel Corporation—I have been using the figures "\$200,000,000," but the amount is nearer \$300,000,000—we can take some of that by taxation and equalize the thing among these other industries that ought to be preserved and among the farmers also, and in that way carry out the principle of the protective-tariff system.

The principle of keeping these benefits equal to all industries of all kinds, agriculture and industries alike, has been ignored and abandoned by the big combinations in this country, who now want to do it all by merely raising and lowering rates.

Mr. REED. I am not here to defend the Steel Corporation; but we are taking 12 per cent of their earnings in taxes every year, just the same as we are taking them from other corporations.

Mr. BROOKHART. Out of a more than 20 per cent earning capacity left and upon a billion dollars of water.

Mr. REED. If the Senator wants to make a speech, I will quit and start in later; but does not the Senator think he has made his point plain by his questions?

Mr. BROOKHART. Yes; except that the Senator proceeds to fog up some phase of the matter as fast as I clear it, and it needs further clearing occasionally; but I will not interrupt the Senator if he so desires.

Mr. REED. I have almost finished; and I think it would be better if the Senator would expound his theory of the bounty in his own time.

Mr. President, this matter was brought up to the Tariff Commission and a report asked for from them under the flexible-tariff provision. After long study and very thorough study they reported that the difference in the cost of production at New York in favor of the Indian pig-iron producer was \$7.70 against one district and \$7.07 against the Buffalo district per long ton of pig iron. The Tariff Commission report established that difference. The duty under the law of 1922 was 75 cents a long ton. Consequently, the utmost that the President could do under his power was to add 50 per cent, or 37½ cents. He did that, and at the present moment the tariff on pig iron is \$1.12½, although the showing made by the commission justified a duty of \$7.07. That was all brought out before the committee, together with the figures showing the continued annual losses by these 32 concerns that make the product.

That was all brought out before the committee; and we realized, as a practical political problem, that we could not put on a duty equal to the difference in the cost of production. I wanted and urged with all my might a duty of \$3 a ton. The committee refused to give that, and finally gave us \$1.50 a ton, which was reported by a majority of the Finance Committee. Now the Senator from Kentucky moves to cut that to 75 cents.

When there is a differential of \$7.07 it does not much matter whether pig iron pays a 75-cent duty or whether it is absolutely free. There is very little income yielded by the 75-cent duty, and there is practically no protection. The rate of \$1.50 would suffice to check somewhat the inflow of the Indian iron.

As I said when some of the Senators who are now here had not yet come into the Chamber, I am not speculating on what the result of these imports has been. The Indian furnaces are paying 14 cents a day for their labor. That labor is not as efficient as is our American labor. It is estimated by those in the business that probably one healthy American does as much work in his day as two and a half or three of the underpaid, starved Indian coolie laborers whom they use there at Tatta, but if we take three of them it comes to only 42 cents a day for the labor equivalent of a man to whom we are trying to pay \$4.50.

I have had this brought home to me over and over again, not in my own part of Pennsylvania around Pittsburgh, because there it does not make any difference; the freight cost on the imported iron over the mountains is so great that we have a geographical protection. But down in eastern Pennsylvania,

through the counties which surround Philadelphia, that run from Easton down through Reading in the direction of Baltimore, there are many furnaces in which not one ounce of iron has been smelted for years. Several of them have failed in recent years because they could not carry the idle plants any longer. I have the figures here about some of them.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. REED. I yield gladly.

Mr. NORRIS. I would like to ask the Senator right there, at the point in his address where he is now, in view of what he has just stated, would the increase of the tariff on pig iron help those places which have been closed down?

Mr. REED. Yes, Mr. President.

Mr. NORRIS. How would that operate?

Mr. REED. The furnaces are in good order. They could be fired again.

Mr. NORRIS. Are they the ones which produce pig iron or use it?

Mr. REED. They produce it.

Mr. NORRIS. I get the idea, then.

Mr. REED. Before the Senator came in I tried to explain the difference between pig iron and iron in pigs. The production of pig iron in this country is perfectly enormous, far in excess of the production of any other country in the world. But that is produced in this molten state, most of it by steel companies, which never allow it to harden. It is run from the blast furnaces ordinarily into a great closed bowl called a Jones mixer, where successive discharges from the blast furnaces diffuse with one another and get a constant quality, and from that great bowl the steel-works ladles tap out the molten metal and charge it into the steel works. It never gets cold. The value of the heat that is in it is about a dollar a ton. Those people do not sell pig iron, and most of them do not buy it. The Steel Corporation, for example, I am told, in the 28 years of its existence has never bought any pig iron. I think that statement is still true, although it was made to me about a year ago.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. EDGE. I merely want to make clear a statement to which the Senator referred. I am not sure whether it was entirely clear. This duty would in no way affect any part of the country beyond 75 miles inland, perhaps, or beyond 100 miles inland, so far as being able to ship pig iron to interior points is concerned.

Mr. REED. Oh, no; they never do ship it.

Mr. EDGE. In other words, the duty affects alone the seacoast.

Mr. REED. Exactly.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. GLENN. I want to ask a question really to obtain some information. I am wondering whether the Senator has any idea as to what percentage the producers of pig iron, or furnaces which formerly have produced pig iron and which are in a depressed condition, or in a failing or shut-down condition, bear to the total capacity?

Mr. REED. I can only speak from a rough recollection. The production of pig iron by the merchant furnaces on the Atlantic seaboard is about a million and a half tons a year. The total production of the United States, including the great Mississippi Basin, is enormous. I think I have the figures here. It was about 35,000,000 tons last year. As I have said, most of that goes into steel, and all of it, whether it is made into steel or not, is indifferent to our action in this matter, excepting only that which lies along the Atlantic seaboard. There are merchant furnaces in abundance in western Pennsylvania. They are located up the Mahoning Valley in Ohio. They do not care what we do about this, except sentimentally, perhaps. It makes no difference in their earnings, and it can not affect the Steel Corporation's earnings or the earnings of the other big steel companies, because they make their own iron, they charge it to themselves at cost, it is not a commercial transaction at all, and it reaches the market in the form of steel billets or finished steel products, which are not at all affected by the seaboard pig-iron price.

Mr. NORRIS. Mr. President, will the Senator yield again?

Mr. REED. I yield.

Mr. NORRIS. Even though these companies using pig iron do not care whether we have a tariff or not, whether we have a tariff or whether we do not, would, however, as I understand it, affect the ultimate consumer of the product, would it not?

Mr. REED. No; Mr. President, I do not think it would. It would affect the ultimate consumer of the merchant pig iron; that is to say, the foundryman along the eastern coast who buys the pig iron and casts it in his foundry would be affected by the price of the eastern pig iron.

Mr. NORRIS. In turn, his customers would be affected?

Mr. REED. Yes.

Mr. NORRIS. That is what I mean by the ultimate consumer of the product.

Mr. REED. Oh, yes; surely. A million and a half tons of pig iron are made along the Atlantic coast. The consumers of that iron are mostly foundries, small foundries or large ones, it makes no difference, and they make iron castings for all of the thousand and one uses for which an iron casting is desired. The ultimate purchaser of that iron casting, the ultimate user of it, is, of course, affected by the cost of the iron that goes into it. There is a vast difference chemically, too, between that foundry iron and the steel-making iron that we produce in western Pennsylvania and Ohio and Illinois.

Mr. BROOKHART. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. BROOKHART. As I understand the Senator's explanation, a million-odd tons of this pig iron are produced along the eastern coast?

Mr. REED. That is right.

Mr. BROOKHART. That needs protection?

Mr. REED. That is right.

Mr. BROOKHART. And all the rest of the thirty-five million-odd used in the United States does not need protection?

Mr. REED. That is correct.

Mr. BROOKHART. That makes it more plain to me than ever that we have no business to raise a rate protecting all of that pig iron, and raising the price to the consumers all over the country, which will be the result. We would better pay a bounty to the million-odd tons produced along the coast.

Mr. REED. Mr. President, if it did affect the price inland, I would say there was something in the Senator's point, but the price of iron in Pittsburgh is not going to be affected in the slightest by what we do here. When the President raised the tariff 37½ cents at the seacoast, there was not any change in the price of either iron or steel at Pittsburgh.

Mr. NORRIS. If the Senator will permit, I thought we had admitted that this would have an effect upon the ultimate consumer of the product.

Mr. REED. Oh, yes, Mr. President, the ultimate consumer of this seaboard iron, that is true, it will affect him, but the furnaces the other side of the Allegheny Mountains, like my neighbors in Pittsburgh, like those in Ohio and Chicago, are entirely unaffected by the seaboard price of the iron. The price of iron in Philadelphia has gone down in five years from \$28 to \$21 a ton, which is about \$5 less than the cost of production, but our prices in Pittsburgh have not gone down in that proportion; they are not affected in that way. Neither steel nor iron out through the Mississippi Valley is in the slightest affected. It is purely a local proposition, because the freight is so high across the mountains that we have a far better protection geographically than any tariff could afford. It costs nearly \$5 a ton to send iron from Buffalo to New York.

Mr. GLENN. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. GLENN. The same argument applies to cement and brick and similar commodities, does it not?

Mr. REED. To all heavy commodities; yes.

Mr. BLAINE. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. BLAINE. I do not like to interrupt the Senator, but I was absent from the Senate until 1 o'clock on business of the Senate, and I have not had an opportunity to get all the facts the Senator has given. Does the Senator distinguish between pig iron and iron in pigs?

Mr. REED. Oh, yes, Mr. President.

Mr. BLAINE. In the matter of production?

Mr. REED. Yes. The production of pig iron is about 35,000,000 tons. I thought it was even greater, but the last figures given by the Tariff Commission show that amount.

Mr. BLAINE. What is the production of iron in pigs?

Mr. REED. The iron in pigs has never been separately reported on, but we know that along the Atlantic seaboard it is about a million and a half tons.

Mr. BLAINE. It is largely that iron in pigs that goes into the foundries outside of the institution that produces the pig iron?

Mr. REED. Yes, Mr. President; because to take that to a steel works, you would have to melt it in a cupola first, the cost of melting it would be about a dollar a ton, and nobody could do that continuously and make a profit on his steel as compared with the person who gets the molten iron for his steel works. That is one reason for the separation. Another is that there is a difference in quality and chemical analysis between the foundry pig and the steel-making iron.

Mr. BLAINE. I understand that a million tons of iron are used on the Atlantic coast.

Mr. REED. Yes.

Mr. BLAINE. Which would be affected by this item.

Mr. REED. Yes; used in foundries and places like that.

Mr. BLAINE. Is there any pig iron affected on the coast?

Mr. REED. There is pig made along the Atlantic coast, yes; by steel companies, like the Bethlehem Steel Co., but they are not affected by this, because they neither buy nor sell their iron. They are affected by imports of European steel; but that is another question we will get to later.

The people for whom I am pleading now are the little fellows. I venture to say that not a Senator here, unless perhaps one from the Eastern States, has ever so much as heard the name of one of these merchant furnaces that produces pig iron and which are affected by this duty. For example, here are the names of the furnaces that have closed down recently:

The Catasaqua furnace.

The Warwick furnace.

The Hokendauqua furnace.

The Wharton furnaces, A and B.

It was brought out in the House hearings that Wharton furnace B was a brand-new furnace. Its whole productive life was less than three months. They started building it in 1922, and after they got it built they blew it in early in April, 1923. It shut down on the 1st of July, 1923, and it has never been fired since then.

That is the kind of industry for which I am pleading, and I beg the Senate to accept with sincerity my statement that as far as this item goes no prosperous steel company is in any way affected. It is the little fellows, the little industries that are the support of towns of perhaps 2,000 or 3,000 people. They are the ones who are affected. No trust is involved. There is no trust in this industry. There is no consolidation or any kind, although two or three of them may have united.

Mr. WALSH of Montana. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Montana?

Mr. REED. I yield.

Mr. WALSH of Montana. I should like to accept without reservation the statement of the Senator as he has asked we should do, but I can not follow him. The Steel Corporation is engaged in the production of steel in Pittsburgh.

Mr. REED. That is correct.

Mr. WALSH of Montana. Other companies are engaged in the production of steel in eastern Pennsylvania and adjacent territory. These producers of steel buy their pig iron from producers called merchant furnaces.

Mr. REED. Oh, no; they do not, may I say to the Senator? These people produce the foundry iron. We have to have steel-making iron to manufacture into steel, and if we did buy it in pigs we would have to melt it down.

Mr. WALSH of Montana. Whatever the facts may be, they get their supplies from the same source.

Mr. REED. No, Mr. President; they do not.

Mr. WALSH of Montana. Am I to understand that the merchant furnaces produce pig iron only for foundry use?

Mr. REED. That is my understanding. They may sell a little steel iron, but certainly not in any quantity.

Mr. WALSH of Montana. Are we to understand that the United States Steel Co. does not sell any product at all to the foundries?

Mr. REED. The foundries use foundry iron. The Steel Corporation, so far as I know, in 28 years have never sold foundry iron. They are not in the market to sell pig iron in any form, foundry iron or steel-making iron.

Mr. BARKLEY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Kentucky?

Mr. REED. I yield.

Mr. BARKLEY. The United States Steel Corporation owns its own pig iron, owns its own ships, owns its own coal mines, and therefore the whole industry is integrated. It has destroyed to a considerable extent the market for pig iron originally enjoyed by the merchant furnaces. Is not that correct?

Mr. REED. Not in the East.

Mr. BARKLEY. In the country at large? Taking the country as a whole, if the United States Steel Co. did not furnish its own pig iron it would have to buy it from the other furnaces.

Mr. REED. But throughout my lifetime most of the steel companies I have known anything about have had their own blast furnaces and made their own pig.

Mr. BARKLEY. And many of them are not only making their own pig but are making large quantities of pig for sale.

Mr. REED. I do not think so.

Mr. BARKLEY. The Tariff Commission states that the steel companies are making over 8,000,000 tons a year for sale, which is a surplus and is therefore coming in competition with the domestic product produced by the merchant furnaces.

Mr. REED. That may be going on in the Middle West and it may be that the Bethlehem Steel Co. is selling some iron in the East, but I know the United States Steel Corporation is not.

Mr. BARKLEY. It may be that the United States Steel Corporation is not making pig iron for sale, but the Bethlehem Steel Co. is making it for sale.

Mr. REED. They may be making some, but I never heard of them as a factor in the business.

Mr. BARKLEY. The steel companies, according to the Tariff Commission's report, are making a quantity that is equal to about one-fifth of the total American production, not for use in their own furnaces.

Mr. REED. That can not be true in the region about which I am talking. The total consumption along the Atlantic coast is only 1,500,000 tons.

Mr. BARKLEY. The total imports for the last 12 years have averaged 192,000 tons.

Mr. REED. That is something over 10 per cent, but it has been enough to reduce the price.

Mr. BARKLEY. It may be in the neighborhood of 10 per cent along the Atlantic coast, but for the country at large it has been only about 1.15 per cent.

Mr. REED. I am talking about the country that is affected by the proposed tariff. It does not make the slightest bit of difference to us in Pittsburgh, as I have tried to make clear, whether this item is kept on the dutiable list or whether it is put on the free list. We are protected by a \$4 or \$5 freight rate that is better than any tariff. This Indian iron will never reach us. It will never get into the country where the Steel Corporation operates. It will not affect it one way or the other. It is the merchant furnaces of the seaboard which alone are affected.

Mr. WALSH of Montana. I was moved to interrupt the Senator in connection with the statement he made because the information which I find in the Summary of Tariff Information, at page 591, is as follows:

The domestic product is manufactured by two types of producers: (1) The merchant furnace, producing primarily for sale; and (2) the steel works furnace, making pig iron primarily for steel making in their own establishment and only incidentally for sale. Since the war the latter type of producer has supplied a much larger proportion of pig iron sold than before. The merchant producer, generally with somewhat higher cost of production, must therefore face competition both from the domestic steel works blast furnaces and from imports of pig iron.

Mr. REED. That is entirely true as a picture in the great steel-making district west of the Alleghenies. It has no relevancy here.

Mr. WALSH of Montana. I merely take the statement of the Tariff Commission with reference to the matter, and that is what made me question the statement of the Senator from Pennsylvania that this is a matter of no consequence whatever to the steel industry. I can not understand that. The blast furnaces would be protected against the importation of the foreign pig iron and of course they would be permitted to raise their prices.

Mr. REED. I hope so.

Mr. WALSH of Montana. Exactly.

Mr. REED. Because the present price is many dollars below the cost of production.

Mr. WALSH of Montana. Of course, so far as the steel manufacturers are competitors of theirs, it will give the steel manufacturers the opportunity to raise their prices to the same level.

Mr. REED. The only concern about which that can be true, and that I think to a negligible extent, is the Bethlehem Steel Co. It can not apply to any of the great steel works in the interior of the country.

Mr. WALSH of Montana. I simply call attention to the fact that it seems altogether reasonable that the great steel producers, owning their own ore supplies, owning their own limestone, owning their own railroads, owning their own ships, owning everything that is necessary to go into the production, of course produce it at a very low cost. The blast furnace that must buy its ore and pay railroad charges for transportation and all that kind of thing obviously operates under a decided disadvantage. It occurs to me that the really serious proposition is the domestic competition.

Mr. REED. No; because it is walled off from these people by the mountains. Out in western Pennsylvania we have merchant furnaces, and they sell their iron either to the foundries or they make steel-making iron and sell it to the steel works. They have competition and very serious competition from the blast furnaces belonging to the steel company. But that is a

totally different picture. That might as well be on the other side of the world. The tariff charged by the railroads is so great that imports can not get out there. What the Tariff Commission says about competition from imports has no bearing whatsoever on our western Pennsylvania furnaces. They are not being competed with by the Indian iron because the railroads have a protective tariff in the form of a freight rate that protects them.

Mr. WALSH of Montana. I can understand that perfectly well, but I do not have any reason for doubting that the producers in western Pennsylvania become competitors of the producers in eastern Pennsylvania.

Mr. REED. There is no competitive district in which they meet. That is shown by the prices. The prices of the eastern iron along the Atlantic coast have shrunk in five years from \$28 per long ton down to \$21 per long ton, but our prices in Pittsburgh have not shrunk. They are selling iron to-day in Philadelphia for less than the cost of smelting it. We are not. We are making a profit in Pittsburgh, and that is true in Ohio and it is true in Chicago.

It is quite evident that the importations against which I am seeking protection do not menace us at all in the West and they do not affect us in the least. They have not in the past and it is reasonable to suppose that they will not in the future. My Pittsburgh friends will not be affected and do not care what we do with the pending question, but it is the lifeblood of the people along the Atlantic coast.

Mr. NORRIS. Mr. President—

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Nebraska?

Mr. REED. I yield.

Mr. NORRIS. I still can not see why there is not a point between Pittsburgh and the coast where the imported articles may come in competition with the domestic articles, but if we protect by a tariff the coast from importations it will extend the line just that much farther east for the material that comes from the Pittsburgh district.

Mr. REED. That is true. There is always a line at which the costs plus freight are equalized and balanced.

Mr. NORRIS. The Senator is not correct when he says that the Pittsburgh people—and I am only using them for illustration, of course—have no interest in this question.

Mr. REED. I have tried to explain why. I think the answer is that the theoretical point of balanced competition occurs in the mountainous region where there are no consumers. When we go east of the mountains and come to the foundries, then the eastern furnace can sell it cheaper than the Pittsburgh furnace can, and when we go West the opposite holds true. The theoretical point of contact in any situation of that kind is where there are no consumers.

Mr. NORRIS. If it is true that between Pittsburgh and Philadelphia there is no such competition—

Mr. REED. Oh, but there is. As we go east from Pittsburgh we get into the mountains almost at once, and there will be found some consumption at Johnstown, altogether supplied by local furnaces there. I do not think anybody ever dreams of carrying pig iron to Johnstown from either the West or the East. After we get east of that we will not find any foundries of importance until we go hundreds of miles and get into the Susquehanna Valley. My statement is only of general reference, because there will be found mountain towns where they have foundries north and south of Pennsylvania.

Mr. NORRIS. That there are no foundries there may be true, but, as I look at it, it does not follow that the consumers of the country are not interested in the tariff.

Mr. REED. It is the foundries that use the products. They buy the pig iron.

Mr. NORRIS. I understand that, but they sell it again to the consumers of the product. They manufacture it and sell it in another form, but if they have to pay a tariff and have their prices increased for the raw product, they will add that increase, of course, to the finished product which they make out of the raw product.

Mr. REED. It is like dropping a pebble in a lake. We can not tell how far the ripple will go. But as a practical matter the only people who are affected by this provision are the merchant furnaces of the Atlantic seaboard and, to some slight extent, a couple of furnaces in the far West. I believe there is one in Utah which will be affected by importations.

Mr. President, I have about concluded. I have shown that the investment has ranged in these 32 furnaces at about \$67,000,000. In 1926, 1927, and 1928 the net result of the operations of that great investment was a loss of more than \$5,000,000.

That is the condition of the business. That statement does not depend on my word, but any traveler through these little

towns where the furnaces are built will see the state of complete prostration in which they lie. No farmer in the West is nearly so depressed as are the producers of this particular commodity. The difficulty comes from the fact that the great steel companies which use a commodity which is known as pig iron have it confused in people's minds with the commodity of iron in pigs, which is what we are dealing with here.

Mr. FESS. Mr. President—

Mr. REED. I yield to the Senator from Ohio.

Mr. FESS. I merely wanted to confirm what the Senator from Pennsylvania has said about the inland section of the country not being interested in this particular item. As the Senator knows, the State of Ohio is the second in the production of this industry, his own State being the first. I have a very large correspondence here, but I have not received a single letter in reference to this particular item, which is evidence that none of those producers are interested in the question; otherwise they would have taken the matter up with me.

Mr. REED. I wish now, in conclusion, to call attention to the tariff history of this commodity. Under the Dingley law of 1897 the duty was put at \$4 per gross ton; under the Payne-Aldrich law of 1909 it was \$2.50 per gross ton; under the Underwood law it was made free; the Fordney-McCumber law fixed the duty at 75 cents. The President has increased that to \$1.12½, which the House has followed. The Senate Finance Committee have reported an amendment to make the duty \$1.50, which is a pretty small rate compared with the \$4 per ton fixed in the Dingley law and the \$2.50 fixed in the Payne-Aldrich law. I thought I had here the figures that show the duties on iron in other countries. I will get those and give them to the Senate in a few moments. However, before I conclude, I wish to give a list of furnaces that have been torn down or abandoned.

In the Reading neighborhood some of those furnaces were established away back before the Revolution. I do not mean that they had not been modernized, but the industry had existed ever since before the Revolutionary War. I refer particularly to the Warwick furnace, the Topton furnace near Reading, the Emaus furnace, the Albertis furnace, the Temple furnace, and the Robeson furnace, most if not all of which have had long and honorable records and rendered long and useful service to the country. The present conditions are such that they have gone; and the survivors will likewise go unless Congress takes some action to protect them.

My recollection of the duty on pig iron in Canada is that it is more than the Finance Committee has proposed, and that the duty in Germany is greater than that we are suggesting. I hope to have those figures for the Senate in a few moments. The Canadian duty, I see, is \$2.80.

Mr. HEFLIN. Mr. President, will the Senator yield to me for just a moment?

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Alabama?

Mr. REED. I yield.

Mr. HEFLIN. I want to ask the Senator a question. I desire to ask what is the rate as it has now been fixed by the President? Is it \$1.12?

Mr. REED. It is \$1.12½. He raised it all he could under the limitations of the flexible tariff.

Mr. HEFLIN. I wanted to ask the Senator if the President had not raised it just as high as he could under the authority he had?

Mr. REED. That is true, Mr. President.

Mr. HEFLIN. Now, the Finance Committee proposes to increase it by 38 cents?

Mr. REED. The committee proposes to increase it by 37½ cents.

Mr. HEFLIN. They propose to increase it 37½ cents over the rate as it now is?

Mr. REED. Although the Tariff Commission shows that a rate of \$7 would be justified, I realized that was politically impossible.

Mr. HEFLIN. I understood the Senator to say that the Underwood law provided a rate of \$3 a ton?

Mr. REED. No; it was on the free list in the Underwood law.

Mr. HEFLIN. It was fixed at \$2.50 under the Aldrich law?

Mr. REED. That is correct.

Mr. HEFLIN. And the Senate Finance Committee proposes to make the rate \$1.50?

Mr. REED. Yes; although the duty was \$4 under the Dingley law.

Mr. BARKLEY obtained the floor.

Mr. BLAINE. Mr. President—

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Wisconsin?

Mr. BARKLEY. I yield to the Senator from Wisconsin, if he desires me to do so.

Mr. BLAINE. I do not want to interrupt the Senator since he has the floor, but I desired to make a brief statement in connection with a part of the argument which the Senator from Pennsylvania [Mr. REED] has made.

Mr. BARKLEY. Mr. President, with a good deal of what the Senator from Pennsylvania has stated I can very readily agree. For example, I agree that many of the furnaces that make pig iron in the United States, commonly called merchant furnaces, are having difficulty, but I shall undertake to show that that difficulty arises not on account of any importations of pig iron in the United States but because of the competition they are compelled to suffer at the hands of the steel companies that are making pig iron for sale in the United States.

Mr. President, the United States occupies a leading place among the nations of the world in the manufacture of iron and steel. It occupies the leading place among the nations of the world in the possession of actual and potential iron-ore supplies. There are in all of Europe approximately 15,250,000,000 tons of iron ore, in all of Asia 1,650,000,000 tons, in all of Africa 450,000,000 tons, in all of Oceania 900,000,000 tons, in all of South America 8,200,000,000 tons, and in all of North America 16,350,000,000 tons. Those are actual reserves that are known to be in existence.

Mr. GOFF. Mr. President, will the Senator from Kentucky yield to me?

The PRESIDING OFFICER (Mr. JONES in the chair). Does the Senator from Kentucky yield to the Senator from West Virginia?

Mr. BARKLEY. I yield.

Mr. GOFF. Is this information supplied by the Tariff Commission?

Mr. BARKLEY. This information has been gathered from the reports of the Tariff Commission and reports of the Department of Commerce.

Mr. GOFF. Is the Senator reading from a report of the Tariff Commission?

Mr. BARKLEY. Not directly, but I am reading from figures that have been compiled not only from Tariff Commission reports but from reports of the Department of Commerce and also quoted from the Iron Age, which is a publication recognized in the iron industry as being reliable.

Mr. GOFF. Is it the Iron Age from which the Senator is reading?

Mr. BARKLEY. No; I am not reading from the Iron Age. If the Senator is so inquisitive about it, I will say that I am reading from a little book entitled "The Tariff on Iron and Steel," which is published by the Institute of Economics, the board of directors of which is composed of the following gentlemen; Robert S. Brookings, Whiteford R. Cole, Frederic A. Delano, George Eastman, Raymond B. Fosdick, Frank J. Goodnow, Jerome D. Greene, Ernest M. Hopkins, David F. Houston, Vernon Kellogg, Samuel Mather, John C. Merriam, Harold G. Moulton, John Barton Payne, Leo S. Rowe, Bolton Smith, and Paul M. Warburg.

Mr. GOFF. Is that a Tariff Commission report or is it the report of some association or aggregation of men who may be interested in the question?

Mr. BARKLEY. The Senator from West Virginia, I hope, does not admit that he knows nothing about the Brookings Institute which is a part of the Institute of Economics to which I have referred. I am reading from a publication issued by a scientific organization in the United States which is known as the Institute of Economics.

Mr. GOFF. Does it stand for protection or for free trade?

Mr. BARKLEY. It stands for the truth and the facts, regardless of whether it advocates protection or free trade.

I will say to the Senator that it is not advocating either protection or free trade. It is simply setting forth facts with reference to the steel and iron industry, and the facts which it sets forth are based upon Government reports and publications that speak for the iron and steel industry.

Mr. GOFF. I am very glad to know from what the Senator is quoting.

Mr. BORA. If the Senator will examine the volume he will come to the conclusion that it is prepared with great accuracy and care, and also without any predilections as to free trade or protection.

Mr. GOFF. I am greatly interested, Mr. President, in knowing the source of the information the Senator from Kentucky was giving the Senate affecting this matter. I did not know as to that until it was developed in the answer of the Senator from Kentucky; nor did I know the motives that might have prompted this publication.

Mr. BORA. I think it is a very valuable source of information, and apparently it treats the subject from a nonpartisan standpoint.

Mr. GOFF. Then it is a current history of an economic character.

Mr. BORA. Yes, indeed; and is very useful to those who care to study the theory of tariff legislation.

Mr. GOFF. I think we all study that.

Mr. BARKLEY. I have given the figures of actual reserve of iron and steel in the entire world. When we come to the potential reserves, there are in Europe 25,000,000,000 tons; in Asia, 2,100,000,000; in Africa, 1,000,000,000; in Oceania, 1,000,000,000; in North America, 111,000,000,000 tons; and in all of South America, 2,000,000,000 tons. Of the actual reserves, the United States of America has 8,000,000,000 tons, which is the largest tonnage of iron ore of any nation in the world. At the same time, while there are a total of 142,000,000,000 tons of potential iron ore in the world, the United States possesses 75,000,000,000 of that 142,000,000,000, which gives to the United States more than 50 per cent of the potential iron ore in the entire world.

I quote these figures, Mr. President, in order to show the dominating position the United States enjoys in the production of iron and steel.

It would not be necessary, I assume, to quote figures of this sort in order to prove the dominance of the United States in the iron and steel world. This has become known as the steel age very largely on account of the activities and the ingenuity of the American people in the production of iron and steel and all of their products.

In 1919, which is as far back as I care to go, when pig iron was on the free list, there were imported 58,000 tons of ore. In that same year we produced 30,542,808 tons of iron ore; so that as to the competitive quantity of iron ore coming into the United States we had 58,000 tons imported compared to more than 30,000,000 tons produced in the United States. In 1920, when pig iron was still on the free list, we imported 107,000 tons; in 1921 we imported only 26,000 tons of pig iron, while in that year we produced 16,000,000 tons. The production in that year dropped down from 30,000,000 tons at the end of the war to but a little over 16,000,000 tons.

In 1923, the first full year after the 75-cent duty went into effect under the act of 1922, there were imported 367,000 tons as compared to a production in the United States of 39,721,415 tons.

From the peak of 1926, which was 445,000 tons imported, to 1928, the importations decreased 140,000 tons.

I have taken the average of the yearly importations from 1919 to 1928; and I find that for those 12 years, both under a bill that put pig iron on the free list and a bill that put a tariff of 75 cents a ton on it, there was an average of 192,000 tons imported into the United States, and that during that period the lowest domestic production was a little more than 16,000,000 tons, and the highest domestic production was 39,721,000 tons.

I wish to be entirely fair and candid with the Senate. It is undoubtedly true that what are known as the merchant furnaces are having difficulty in getting a market for their product and a price necessary for them to continue to operate; but the Tariff Commission gives the reason why this condition has been brought about. The Senator from Pennsylvania has emphasized the fact that pig iron is being brought in from India, and he talks about the starvation wages paid the laborers of India, while as a matter of fact out of the meager 140,000 tons being imported into the United States only 52,000 tons came from India, and the rest of it came from Great Britain and Germany, and some from Sweden.

Let me read what the Tariff Commission states about that:

The United States markets in which foreign and domestic pig iron meet in competition are largely along the seaboard, chiefly the Atlantic.

And that is undoubtedly true. The Senator from Pennsylvania has stated that the annual output of these merchant furnaces along the Atlantic seaboard amounts to about 1,500,000 tons; and as against that 1,500,000 tons produced in the territory where the only competition with foreign products exist, as compared to the imports from India, the proportion is as a million and a half compared to 52,000. There was the same rate of importation for the first six months of 1929 which existed in 1928; so that the imports that are coming now from all countries are 140,000 tons per annum, and only 52,000 tons of that 140,000 tons comes from India. So the rest of it is coming from Great Britain, and some from Germany, and some from Sweden, and possibly one or two other countries.

Now, let us compare the cost of producing pig iron in the United States with the cost of its production in Great Britain. These figures are taken from the same source to which I referred a little while ago.

In 1925 the total pig-iron production in the United States was 36,495,562 tons.

The number of men employed in the production of this domestic output was 29,188.

In Great Britain they produced 6,261,000 tons, using 16,570 wage earners.

In other words, the American wage earner produced \$1,552 worth of pig iron, while the British wage earner produced only \$744 worth of pig iron. So that the per ton output per man employed in the American furnaces and in the British furnaces was as \$1.24 for the American compared to \$1.97 for the British. So that it cost in the United States, because of the greater efficiency of the American wage earner, \$1.24 per ton to produce pig iron, while in Great Britain it cost \$1.97 to produce the same type of pig iron.

The Tariff Commission goes on here to state:

The domestic product is manufactured by two types of producers: (1) The merchant furnace, producing primarily for sale; and (2) the steel-works furnace, making pig iron primarily for steel making in their own establishments and only incidentally for sale. Since the war the latter type of producer has supplied a much larger proportion of pig iron sold than before. The merchant producer, generally with somewhat higher cost of production, must therefore face competition both from the domestic steel works blast furnaces and from imports of pig iron. The merchant-furnace manufacturers in eastern Pennsylvania, New Jersey, New York, and Virginia bear the brunt of this competition, and many of them have been forced to discontinue operations.

Mr. President, the Senator from Pennsylvania has assured us that what we do with reference to this tariff will not affect the production of pig iron in the Middle West, in Pittsburgh, and anywhere within 200 miles of the Atlantic coast; and he says that the imposition even of a \$3 tariff, if the committee had reported a \$3 tariff, would not materially affect the price of pig iron in the United States. Now, if under a free admission of pig iron into the United States for three years, under a 75-cent tariff for five or six years, and under a tariff of \$1.12½ for about two years we are only able to import about 140,000 tons of pig iron, as compared with a million and a half produced in the area of competition, it seems to me very far-fetched to contend that if this tariff is raised to the point to which they desire to have it raised it will not entirely shut out competition, or reduce it to such an extent that it will certainly increase the price of pig iron along the Atlantic coast, and it will to that extent decrease the supply of the American markets; and whenever, from any source or for any cause, you increase the demand for a product and reduce the supply, automatically the average price over the whole country is bound to be increased.

I am not advised, I have no information, as to whether the United States Steel Corporation is making pig iron for sale or not. I do know that the Bethlehem Steel Co. is making large quantities of pig iron for sale, and that the pig iron produced by the Bethlehem Steel Co. comes in competition with the pig iron produced by these merchant furnaces at high cost per ton. The Tariff Commission information here reveals the fact that each year a little more than 8,000,000 tons of pig iron are produced for sale. If we subtract the 8,000,000 tons that are produced for sale from the 39,000,000 tons that are produced for use in the country, we reach the conclusion that 31,000,000 tons of the pig iron used in the United States is produced by the steel companies that use it; for if we make a total of 39,000,000 tons, and have only 8,000,000 tons for sale, the inevitable conclusion is that 31,000,000 tons are being produced by the steel companies for their own use.

It is easy to understand how the steel companies can produce pig iron more cheaply than the merchant furnaces. They own their own iron ores and iron furnaces; they own their own coal mines; they own their own steamships; and they enjoy the lowest freight rate of almost any commodity in the entire country, because they load their iron ore on steamships on the Great Lakes and bring it down to Gary and Pittsburgh by water, and without any rail haul at all except a comparatively short haul to the Pittsburgh district. But the United States Steel Corporation, which owns its own iron-ore mines, its own steamships, its own mining operations, loads that iron ore on its own boats on the Minnesota coast and carries it down to Gary, Ind., and unloads it there at the very front door of its plant; and it is a matter of economy for it to produce its own pig iron, and it does it.

Nobody seems to know whether the Steel Corporation produces any pig iron for sale or not; but, if it transpires that it does produce pig iron for sale, it is easy to understand how the Steel Corporation can undersell the domestic manufacturer or producer of pig iron who is still resorting to the old-fashioned methods of production which we have heard so much about, not

only in the china and earthen ware schedule but in the glass-ware schedule.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Nebraska?

Mr. BARKLEY. I yield to the Senator.

Mr. NORRIS. Is there any reason why those who use pig iron to produce something else, and sell it—and they are the people we are considering now—should not produce their product directly from the iron ore, as the Steel Corporation does, and thus avoid the extra expense of producing pig iron first and then using that as a raw material and producing some other product, which, as the Senator from Pennsylvania put it, means a loss of the heat?

Mr. BARKLEY. I will say to the Senator that there is no reason why they can not do it, and most of the large steel companies are doing it—not only the United States Steel Corporation but the Bethlehem Steel Corporation, the Crucible Steel Co., the Central Alloy Co., and others.

Mr. KEAN. Mr. President, will the Senator yield?

Mr. BARKLEY. I can not name from recollection all of these companies; but most of them are producing their own pig iron by the same process which I have referred to as being used by the United States Steel Corporation.

Mr. NORRIS. The Senator's point is that we ought to insist upon efficiency before we apply the principle of giving them protection by law?

Mr. BARKLEY. That is undoubtedly correct.

Mr. KEAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from New Jersey?

Mr. BARKLEY. Just a moment, I wish to make a comparison.

The Senator from Pennsylvania stated that these domestic merchant furnaces are producing about a million and a half tons a year for sale. They produce primarily for sale. They do not have an integrated industry. They are producing this million and a half tons for sale. They have to sell that pig iron to somebody who is engaged in the manufacture of iron and steel products. If we subtract a million and a half tons from the 8,000,000 tons produced for sale, we have left 6,500,000 tons of pig iron that is being produced by these steel companies as a surplus which they are putting on the American market at prices which they can afford to accept; so it is inconceivable to me that these merchant furnaces are being harmed by 140,000 tons of importations to any extent compared to the harm that is being done to them by the 6,500,000 tons that is being produced by the steel companies for sale in the United States.

I now yield to the Senator from New Jersey.

Mr. KEAN. Mr. President, in the first place there is more than one kind of pig iron; there are three or four kinds. The consequence is that these merchant furnaces are making different kinds of pig iron from the kind the Steel Corporation makes. In nearly all cast-iron furnaces they need to mix one kind of pig iron with another kind of pig iron in order to make the product a success. That is a reply to the question of the Senator from Nebraska. They have different kinds of pig iron, and that is the reason why they have to mix them, and that is the reason why it can not all be done in one operation.

Mr. BARKLEY. The Senator will not contend that this pig iron put on the market by the companies as a surplus does not compete with the pig iron manufactured by the merchant furnaces?

Mr. KEAN. I do not think the United States Steel Corporation puts any pig iron on the market. The Bethlehem Steel Co. at Sparrows Point probably does, but I do not think that the United States Steel Corporation sells any pig iron. Of course, the freight rate to Pittsburgh would be so high that they would not compete with a furnace nearer the seaboard. On the seaboard many blast furnaces are closed owing to competition of the foreign producers. That is just along the seaboard. We have several of those furnaces in New Jersey that have been built up since before the Revolution. Most of the cannon balls used by Washington's army were made just outside of Morristown. Those furnaces operated for a great many years, but now they are closed.

Mr. BARKLEY. I think, if the Senator will permit, probably some of the trouble up there is that they are using the same methods that they used in making the cannon balls that Washington used at Morristown.

Mr. KEAN. No; the furnaces are modern furnaces, right up to date.

Mr. BARKLEY. Nobody has contended here—I certainly have not contended—that the United States Steel Corporation is making pig iron for sale. The best we have been able to

extract from anybody is that nobody knows whether they are or not. I am not concerned about whether the United States Steel Corporation or some other company makes it; I have no brief either for or against the United States Steel Corporation. I know its stock has gone up enormously in value on the stock exchange, and I am not objecting to that. I know that within the last two weeks the United States Steel Corporation has declared an extra dividend of \$1 per quarter in addition to the regular dividend, and I am not objecting to that.

I am glad that the stockholders of the Steel Corporation are getting dividends, provided, of course, they are getting them as the result of honest and fair operation by the Steel Corporation, and I am not raising any question about that. What I am saying is this, that some steel corporations that make their own pig iron, and then make more than their own demand, are producing about five and a half million tons a year of pig iron that they are compelled to sell to the American market, which is about three or four times as much as is produced by the merchant furnaces in New Jersey and eastern Pennsylvania referred to by the Senator from New Jersey, and the putting of this extra pig iron on the market at prices they are in a position to accept has done four times more to drive these merchant furnaces out of business than the 140,000 tons being imported every year from foreign countries.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. NORRIS. My interruption is hardly appropriate now, since the Senator has to a great extent, if not completely, covered the suggestion I was going to make.

The point to which I wanted to call attention was that it is perfectly immaterial whether pig iron comes in competition with these factories along the coast, it is perfectly immaterial, as I look at it, when we are trying to decide this question as to whether we shall put a tariff on pig iron or not, whether the product coming in competition is made by the Steel Corporation or whether it is made by the Farmers' Alliance, or any other institution. The important question is—and that seems to have been demonstrated, as I look at it—that there is a lot of pig iron coming in competition, and that a comparatively small part of it is imported. The tariff certainly will not prevent the competition from a domestic source still going on, but it will have a tendency to increase that competition. It seems to me that when the Senator from New Jersey tells us of the factories that are closed, he draws a conclusion which it seems to me under the facts he is not justified in drawing, that they are closed because of the foreign competition. Most of their competition is domestic.

Mr. BARKLEY. If you could take a sharp knife and slice off the Atlantic coast, and forget all about the rest of the country, you would have this picture: You would have a million and a half tons of pig iron being produced in this narrow fringe which we call the Atlantic coast, and from all countries we would have 140,000 tons coming in to compete with that, so that if we ignored the rest of the country entirely, there certainly could not be any justification for a tariff rate on 140,000 tons of importations higher than 75 cents per ton, which is the tariff carried in the act of 1922, and which I am seeking to retain by my amendment. The truth is that, considering the entire United States, our domestic production and our imports, there is no justification for a tariff on any amount of imported pig iron, because it amounts to only a little more than 1 per cent of our total production.

The Senator from Pennsylvania complained because, he says, there is no competition anywhere in the United States except along the Atlantic seaboard. Is he seeking to eliminate any competition whatever? Are we seeking to keep out the 140,000 tons that do come in? If we succeed in keeping out the 140,000 tons that come in, will that not automatically raise the price of pig iron in the area where the competition exists?

Mr. REED. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. REED. The Senator talks about 140,000 tons coming in. The Senator realizes, does he not, that the importations were over 400,000 tons a year until a countervailing duty was imposed on the Indian iron, and an antidumping duty on the German iron, and that that antidumping duty was canceled in November, 1928?

Mr. BARKLEY. Yes.

Mr. REED. And that the present importations are much more than 140,000 tons a year?

Mr. BARKLEY. I have already referred to the importations for recent years.

Mr. REED. In 1925 the importations were 441,000; in 1926 they were 445,000.

Mr. BARKLEY. I have already inserted those figures in the RECORD.

Mr. REED. And in a district whose consuming capacity is about a million and a half tons.

Mr. BARKLEY. That is not the rate at which this pig iron is coming in at this time.

Mr. REED. Is the Senator sure of that, since the countervailing duty has been canceled?

Mr. BARKLEY. Information which I have received from the Tariff Commission is to the effect that for the first six months of 1929 the imports were practically on the same scale as the imports for 1928.

Mr. REED. I think the Senator would better get the exact figures, because my information is that it is coming in in considerably increased quantities. Furthermore, does the Senator attach any importance to the report of the Tariff Commission showing \$7 difference in cost of production?

Mr. BARKLEY. I would attach importance to it if it were having any effect on importations, but it seems perfectly ridiculous to me to assume that purchasers of pig iron who could buy their imported pig iron for \$7 a ton less than they could buy the domestic product would not be importing more than 140,000 tons compared with a million and a half produced in the area of competition.

Mr. REED. Yes; but the Senator surely does not mean that it is quoted at \$7 less. The Senator knows that the domestic pig iron is selling around \$21, which is away below the cost of production.

Mr. BARKLEY. The Senator's figures, of course, are based upon what he has already emphasized as the wage scale in India, and I have shown that only about one-third of this importation comes from India, and that the cost of producing a ton of pig iron in Great Britain is more than in the United States, the figures being \$1.24 in this country and \$1.97 in Great Britain, due to the greater efficiency of the American workman, who turns out \$1,550 worth of pig iron as compared with \$724 worth turned out by a British workman.

Mr. REED. I am not talking about British iron.

Mr. BARKLEY. A part of this iron comes from Britain. There is nearly 100,000 tons of this importation that comes from other countries besides India, and it is divided among Great Britain, Germany, and, I think, Sweden, with possibly a little from one other country.

Mr. REED. The Senator will find the figures given on page 592 of the Tariff Commission summary, which show that British and German and French and Belgian iron are all cheaper than the American, and the Indian figures are given on page 591.

Mr. BARKLEY. If it be true—and I have no doubt that it is true—that in the area where there is competition there is a production of a million and a half tons and an importation of only 140,000 tons, will the Senator from Pennsylvania explain to us why it is that these purchasers of pig iron are not importing more than they are importing, if they can buy it so much cheaper than they can buy the American product?

Mr. REED. They can not buy it cheaper, because the Americans are trying to hold their trade and have been selling away below cost. That is proven by the Tariff Commission.

Mr. BARKLEY. The steel companies that make this pig iron have not been selling their product at below cost.

Mr. REED. The people who sell the pig iron along the Atlantic coast have been selling at several dollars a ton below their cost of production. That is proven by the Tariff Commission.

Mr. BARKLEY. Suppose this entire 140,000 tons were shut out, so that not a ton of it could come in. To what extent would that increase the price of pig iron along the Atlantic coast?

Mr. REED. The price immediately would go up to at least the cost of production, which they are not getting now.

Mr. BARKLEY. What would that be?

Mr. REED. Around \$26 or \$27.

Mr. BARKLEY. As compared with what?

Mr. REED. With \$21 at present.

Mr. BARKLEY. Therefore the cost to the consumer of pig iron would be increased \$5 or \$6 a ton where there is competition.

Mr. REED. Absolutely.

Mr. BARKLEY. Does the Senator contend that in view of an increase of \$5 or \$6 a ton, where there is competition, by the elimination of that competition the price in the inland territory would not increase at least a part of that \$5 or \$6 per ton, so that there would be a general average of prices throughout the United States?

Mr. REED. I most certainly do, because the decline in prices on the seacoast has not caused a decline of the prices in the interior.

Mr. BARKLEY. If the steel manufacturers who purchase pig iron would get \$5 or \$6 more a ton for their product, could

they not ship it further and pay greater freight rates in order to obtain that increased price, and would not the competition of the steel companies producing their own pig iron or steel be more injurious to the industry along the Atlantic coast than this 140,000 tons that come in?

Mr. REED. No; because they are separated by the rates they have to pay on the railroads.

Mr. BARKLEY. But those rates would be absorbed by the increase of \$5 a ton.

Mr. REED. It still remains the fact that the normal output of the Atlantic coast furnaces would be sold on the Atlantic coast, where it has been for a century and a half.

Mr. BARKLEY. In other words, if the producers of the pig iron in the Pittsburgh district have to pay \$5 a ton to ship their product 200 miles, if they can get \$5 more per ton by shipping it a hundred miles farther and a hundred miles closer to the coast, at a comparatively increased freight rate, would it not pay them to ship their product 300 miles at \$7.50 a ton and get \$2.50 extra as additional profit?

Mr. REED. There is no good speculating on that, because the case is conclusively proved and the difference in cost of production has been proven. The fact is that they are at present selling below cost of production or else they have gone out of business. Every requirement laid down by the Senator from Idaho [Mr. BORAH] in his statement as to what is necessary to justify an increase in an industrial rate has been complied with. If we want to speculate on what might happen and who might sell, of course we are in an endless controversy. But if there ever was a plain case for a tariff on an import commodity, it is here.

Mr. BARKLEY. Mr. President, coming back to the statement which I have just made, which is a reply to the statement originally made by the Senator from Pennsylvania [Mr. REED] that there would be no increase in the price of pig iron in the noncompetitive area, I wish to use his own illustration. If pig iron will immediately become worth \$5 or \$6 a ton more on the Atlantic coast than it is now by the elimination of this competition, then the producers of domestic pig iron for sale as a surplus above their own needs which is being turned out by the steel companies would be able, in my judgment, to add at least \$2.50 per ton to the price of their product and ship it 100 miles nearer the Atlantic coast and still undersell the domestic product turned out by the merchant furnaces. So that, in my judgment, they would be in a worse condition after that situation had been developed than they are now, because they would have certainly more competition than 140,000 tons or even 300,000 or 400,000 tons that might come in from foreign countries.

Mr. NORRIS. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Nebraska?

Mr. BARKLEY. I yield.

Mr. NORRIS. What is there to hinder them from adding the full tariff? Why should they not add it all?

Mr. BARKLEY. There would be nothing to hinder them except that they now ship practically 200 miles and pay \$5 freight rate. Then if they could ship 100 miles farther, they might be required to pay \$2.50 more freight, which would reduce their profits that much. Of course, they might cut the price that is being obtained on the Atlantic seaboard or they might be able to undersell anyway.

Mr. NORRIS. They will add the freight and they will add the tariff if they can. If we remove the competition by increasing the tariff and placing an embargo or erecting a steel wall, we extend the territory over which the domestic producers can operate, and they will go clear to the coast. They will add all of the tariff, and if we make the tariff high enough we will completely obliterate these people along the coast and put them entirely out of business, and it would bring about a situation much worse for them than they are in at the present time.

Mr. BARKLEY. The Senator has, to much better advantage than I could, illustrated the point I had in mind. If we raise the level of prices of pig iron in the United States we necessarily enlarge the area which can be covered by any manufacturer, no matter whether it is the Steel Corporation or whether it is a furnace that makes a merchant quality of pig iron. It is utterly impossible to convince me that increasing the price of pig iron in any part of the United States does not increase it on the average. Every increase that is made will increase the returns of those who are turning out 6,500,000 tons of pig iron for sale as a surplus to a much larger extent, in my judgment, than it would benefit those who are producing pig iron as a primary industry.

Pig iron is the basis for all iron and steel manufacture. Pig iron is the raw product that goes into the manufacture of all kinds of steel. It goes into the manufacture of rails, of structural iron that goes into the construction of every building, and into every bridge and every farm implement. The amount of iron and steel now used in the construction of farm implements is much larger than it was 10, 20, or 30 years ago. I can remember when almost every agricultural implement on the farm contained a considerable part of wood, but now almost entirely agricultural implements are made out of steel and iron, of which pig iron is the raw material.

Any increase that is placed upon the price of pig iron necessarily is reflected in an increase in the price of all the things into which steel and iron go, either as the raw product or as the finished material. It necessarily increases the price of every carpenter's tool, every handsaw, every drill, every implement of husbandry. Every conceivable instrument or tool made out of iron or steel will be affected by it.

I can not understand, as I said a moment ago, how there is any justification for an increase in the tariff fixed by the presidential proclamation at 75 cents per ton to \$1.12½ per ton, and based upon the condition of the industry in the country I can not understand how there is any justification for any tariff whatever on pig iron. Therefore I hope the amendment I have offered, reducing the rate to 75 cents per ton as carried in the act of 1922, will be adopted.

Mr. WALSH of Montana. Mr. President, I would like to ask the Senator from Pennsylvania what relation pig iron bears to cast-iron pipe?

Mr. REED. Cast-iron pipe is a foundry product. It is made from foundry pig.

Mr. WALSH of Montana. I want to read a letter which I received a few days ago from the mayor's office, Chelsea, Mass., dated September 9, 1929, as follows:

CHelsea, Mass., September 9, 1929.

Hon. THOMAS J. WALSH,

Senate Office Building, Washington, D. C.

MY DEAR SENATOR: The Senate Finance Committee having reported favorably on the House's increase of 50 per cent on cast-iron pipe—from 20 per cent to 30 per cent ad valorem—I wish to call your attention to the fact that such increase will cost the American people \$11,250,000 a year, a fact either overlooked or ignored by the committee.

My interest in this situation is twofold: First, the welfare of the citizens of my city and the country at large; second, the forthcoming erection of a \$3,000,000 foundry in this city with an annual capacity of 150,000 tons of cast-iron pipe. At least half of this output is intended for export, which clearly indicates that American-made cast-iron pipe can compete with the Belgian, French, or German product in foreign markets. That being so, surely American manufacturers can suffer little from foreign competition in the domestic market when they are protected by a 20 per cent duty, approximately \$2.50 per ton.

The inevitable result of such increase in duty would be a corresponding increase in the price of cast-iron pipe, the yearly consumption of which is 1,500,000 tons in this country. Public utility corporations will thus pay \$3,750,000 per year more for cast-iron pipe, which will be passed along to gas and water consumers, average citizens, and householders. Furthermore, these utilities now have 50,000,000 tons of cast-iron pipe in use, which they will be permitted to mark up on their books to the extent of \$125,000,000. Since these corporations are allowed by law to charge rates which will insure a reasonable return, at least 6 per cent, on the value of their properties, consumers will pay \$7,500,000 a year more for gas and water.

If the cast-iron pipe manufacturers and utility corporations actually need this additional income of \$11,250,000 a year, the people will not begrudge it to them. But do they need it?

The United States Cast Iron Pipe Co., which manufactures over 50 per cent of the domestic production, earned an average of 32 per cent per annum on its common stock for the period 1923-1927. As to the utility corporations, their earnings have grown so enormous that the skyrocketing of their stocks on the New York Stock Exchange has become such a common occurrence that it no longer excites comment. To further enrich these giant monopolies at the expense of the already overburdened public would be a travesty of justice.

Investigation will convince you that no good reason exists for placing this additional heavy burden upon the American home. Should you become so convinced, I trust, Senator, that you will not only vote against the proposed increase on cast-iron pipe but will use your influence to defeat it.

Respectfully,

LAWRENCE F. QUIGLEY, Mayor.

I want to inquire of the Senator from Pennsylvania also whether at the present time there are any exports of pig iron?

Mr. REED. I believe not.

Mr. BARKLEY. Mr. President, I omitted to state a while ago in my remarks what I intended to state, that last year there were 84,000 tons of exports, representing about three-fifths the amount of the imports. Those exports have increased from 32,000 tons in 1923 to 84,622 tons in 1928.

Mr. REED. That is true; but from the district about which we are talking where the imports come in competition there are no exports. The exports referred to are those made in the northern central region. There are no exports from the Atlantic coast.

Mr. BARKLEY. Will the Senator tell us the distance from the point of production to the point of consumption in Canada?

Mr. REED. No; I do not know.

Mr. BARKLEY. Is he able to tell us whether it is farther or nearer than the Atlantic coast?

Mr. REED. Oh, very much farther. A lot of it goes just across the border. Up in the Detroit neighborhood there is considerable export.

Now, to answer the Senator from Montana, cast-iron pipe is covered in paragraph 327. It is true there are some large companies engaged in making it. The price of cast-iron pipe has been and still is very much greater than that of merchant pig. There is a general relationship. Cast-iron pipe practically altogether is made out of pig iron, it is true; but it is a further product and the conditions of competition are wholly different. Competition in cast-iron pipe comes practically all from France.

Mr. WALSH of Montana. I realize it is different, but I was simply calling attention to the fact that the duty on pig iron must of necessity be reflected in the price of cast-iron pipe.

Mr. REED. I am not sure that that would be so.

Mr. KEAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from New Jersey?

Mr. WALSH of Montana. There is another matter I want to address to the Senator from Pennsylvania, and then I shall be glad to yield to the Senator from New Jersey. I have here a copy of the Iron Age for August 29, 1929, containing an article entitled "Large Steel Exports Continue—Seven Months' Total Largest Since 1921—Gain Over 1928 in Rolled and Finished Was 19 Per Cent—Imports Heavier, Too." I ask that the article and accompanying tables may be incorporated in the RECORD.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The article is as follows:

LARGE STEEL EXPORTS CONTINUE—SEVEN MONTHS' TOTAL LARGEST SINCE 1921—GAIN OVER 1928 IN ROLLED AND FINISHED WAS 19 PER CENT—IMPORTS HEAVIER, TOO

WASHINGTON, August 29.—Aggregating 270,532 gross tons, exports of iron and steel products from the United States in July of the present year exceeded those of June, amounting to 247,811 tons, by 22,721 tons and were the largest since April, when they totaled 287,297 tons. For the seven months ended with July exports were 1,862,371 tons, or 251,604 tons greater than last year, with a total of 1,610,371 tons. Exports in July of last year amounted to 253,405 tons. The daily average for July, 1929, was 8,727 tons, compared with 8,260 tons in June.

Imports in July also showed an increase, rising to 71,378 tons from 63,635 tons in June, a gain of 7,743 tons. For the first seven months they were 429,223 tons, a decrease of 18,432 tons under the imports of 447,655 during the corresponding period of last year. Imports in July of last year were 53,567 tons. The daily average in July was 2,302 tons, against 2,121 tons in June.

Of the 37 classes listed in the Iron Age export table, gains were made in outgoing shipments in 20, with losses in the remaining 17, when compared with exports in June. Pig-iron exports increased to 7,777 tons from 3,101 tons and reflected an unusual situation in that outgoing shipments exceeded imports, the latter amounting to only 6,743 tons. Exports of scrap in July were 47,018 tons, against 42,816 tons.

In the finished lines, galvanized sheets exported in July increased to 14,154 tons from 12,604 tons and exports of black steel sheets increased to 18,259 tons from 15,718 tons while exports or plates rose to 19,675 tons from 17,640 tons. Among the products showing declines were plain structural shapes which dropped to 29,946 tons from 31,268 tons and tin plate, which fell to 16,875 tons from 18,041 tons.

Pig iron was exported in July chiefly to Japan, 5,702 tons, and to Canada, 1,724 tons. Scrap exports were widely distributed, Canada taking 11,281 tons; Italy, 9,609 tons; Japan, 8,861 tons; Poland, 6,633 tons; Germany, 4,900 tons; Spain, 2,347 tons, and Mexico, 2,007 tons.

Of the 6,447 tons of casing and oil-line pipe exported, 2,112 tons went to Venezuela and 1,370 tons to Canada. Canada took 4,050 tons and the United Kingdom, 1,024 tons of the 10,773 tons of black welded

pipe exported. Of the 17,183 tons of steel bars exported, 8,433 tons went to Canada, 2,688 tons to the United Kingdom, and 2,265 tons to Japan. Canada took 26,601 tons of the plain structural shapes and 4,334 tons of the tin-plate shipments, while China took 2,737 tons of tin plate and Japan, 1,994 tons. The great bulk of steel plates, 16,931 tons, went to Canada.

Philippine Islands was the largest buyer of galvanized sheets, taking 3,302 tons, Canada taking 2,546 tons. Exports of black steel sheets to Canada were 7,559 tons, while Japan took 3,624 tons. The exports of black steel sheets to Canada were 7,559 tons, while Japan took 3,624 tons. The exports of steel rails, amounting to 9,999 tons, were distributed rather evenly, Argentina taking 1,857 tons; Chile, 1,609 tons; Mexico, 1,413 tons and Canada, 1,128 tons. Japan took only 175 tons.

Total exports to Canada in July were 118,069 tons. For the seven months ended with July, shipments to Canada amounted to 792,942 tons, compared with 633,877 tons for the corresponding period of last year. This gain was almost two-thirds of the total gain to all countries. Exports to Japan in July totaled 31,330 tons; for the first seven months they were 218,072 tons, compared with 214,541 tons during the like period of last year.

While there were gains made in imports in only 10 of the 26 classes as against 15 losses, with no incoming shipments in either month of telegraph and telephone wire, the increased movement in July as compared with June was due to the sharp rise in receipts of structural shapes, amounting to 18,247 tons as against 12,274 tons. Pig iron imports dropped from 11,396 tons in June.

Of the incoming shipments of structural shapes, Belgium provided 9,322 tons; Germany, 4,434 tons, and France, 4,233 tons. France supplied 6,213 tons of the 6,383 tons of cast-iron pipe imported. Of the 3,209 tons of steel bars imported, 1,550 tons came from Sweden, 682 tons from Belgium, 407 tons from France, and 359 tons from Germany.

Canada was the source of 2,799 tons of the 5,213 tons of ferromanganese imported; Norway, 1,212 tons, and the United Kingdom, 1,077 tons. Soviet Russia provided 41,355 tons of the 48,406 tons of manganese concentrates imported; Brazil, 4,077 tons, and India, 2,844 tons. The principal countries from which products were imported in July were Belgium, 15,497 tons; France, 13,556 tons; Canada, 13,305 tons, and Germany, 13,163 tons. In June no country furnished as much as 13,000 tons.

Exports of iron and steel from the United States

[In gross tons]

	July		7 months ended July	
	1929	1928	1929	1928
Pig iron.....	7,777	8,598	38,567	33,927
Ferromanganese.....	40	1,137	1,053	5,998
Scrap.....	47,018	43,932	296,738	295,063
Pig iron, ferroalloys and scrap.....	54,835	53,667	336,358	334,988
Ingot, blooms, billets, sheet bar.....	1,236	941	26,287	11,240
Skelp.....	13,976	15,079	67,771	61,636
Wire rods.....	5,822	3,638	28,882	22,167
Semifinished steel.....	21,034	19,658	122,940	95,043
Steel bars.....	17,183	13,795	129,803	84,563
Alloy steel bars.....	647	1,102	11,947	8,594
Iron bars.....	167	471	2,921	2,314
Plates, iron and steel.....	19,675	14,648	126,971	86,374
Sheets, galvanized.....	14,154	15,341	100,574	90,466
Sheets, black steel.....	18,259	19,100	111,022	109,411
Sheets, black iron.....	1,428	1,355	9,073	8,843
Hoops, bands, strip steel.....	4,734	4,987	47,592	32,684
Tin plate; terneplate.....	16,875	21,528	152,996	146,627
Structural shapes, plain material.....	29,946	14,533	175,812	104,406
Structural material, fabricated.....	10,392	14,191	65,063	54,417
Steel rails.....	9,999	11,079	95,565	120,203
Rail fastenings, switches, frogs, etc.....	3,102	2,504	20,149	30,078
Boiler tubes.....	1,746	1,573	11,306	9,931
Casing and oil-line pipe.....	6,447	10,189	79,421	64,632
Black and galvanized welded pipe.....	14,880	11,436	83,664	65,337
Malleable iron screwed pipe fittings.....	1,070	1,115	7,361	5,526
Plain wire.....	3,591	3,264	29,728	26,936
Barbed wire and woven wire fencing.....	5,695	5,537	41,383	43,963
Wire cloth and screening.....	125	216	1,037	1,065
Wire rope.....	736	386	4,658	2,964
Wire nails.....	1,352	1,425	9,210	10,032
Other nails and tacks.....	1,033	837	6,382	6,095
Horseshoes.....	37	64	220	209
Bolts, nuts, rivets, and washers, except track.....	1,232	1,262	9,359	7,762
Rolled and finished steel.....	184,405	171,939	1,333,217	1,123,492
Cast-iron pipe and fittings.....	3,849	2,490	20,944	19,850
Car wheels and axles.....	1,645	928	14,112	8,552
Iron castings.....	901	776	7,980	7,713
Steel castings.....	966	1,097	7,265	6,337
Forgings.....	1,039	1,168	8,262	6,140
Castings and forgings.....	8,400	6,459	58,553	48,592
All other.....	1,858	1,683	11,303	8,652
Total.....	270,532	253,405	1,862,371	1,610,767

Imports of iron and steel into the United States
[In gross tons]

	July		7 months ended July	
	1929	1928	1929	1928
Pig iron.....	6,743	6,055	80,204	81,350
Ferromanganese ¹	5,213	2,891	37,797	27,296
Ferrosilicon ²	1,079	332	5,216	2,043
Ferrochrome ³	142	58	382	396
Scrap.....	9,101	3,688	52,374	26,532
Pig iron, ferroalloys, and scrap.....	22,278	13,024	175,973	137,617
Steel ingots, blooms, billets, and slabs.....	3,519	1,218	15,902	13,088
Wire rods.....	1,242	595	9,838	10,012
Semifinished steel.....	4,761	1,813	25,740	23,100
Rails and splice bars.....	1,067	1,534	4,127	11,180
Structural shapes.....	18,247	11,192	87,354	100,034
Boiler and other plates.....	34	198	2,456	3,355
Sheets and saw plates.....	2,818	1,100	13,248	15,999
Steel bars.....	3,209	4,992	21,481	55,338
Bar iron.....	127	35	2,110	1,386
Hoops, bands, and cotton ties.....	6,770	6,630	21,448	21,495
Tubular products (wrought).....	3,192	2,918	25,248	23,973
Nails, tacks, staples.....	800	1,020	5,340	4,863
Tin plate.....	31	159	173	751
Bolts, nuts, rivets, and washers.....	29	11	165	154
Round iron and steel wire.....	490	408	3,756	2,440
Barbed wire.....	577	226	3,542	1,975
Flat wire, strip steel.....	137	132	1,240	1,339
Steel telegraph and telephone wire.....		10		153
Wire rope and strand.....	247	168	1,511	971
Other wire.....	17	42	366	320
Rolled and finished steel.....	37,792	30,835	193,565	245,726
Cast-iron pipe.....	6,383	7,731	32,657	39,248
Castings and forgings.....	164	164	1,288	1,964
Total.....	71,378	53,567	429,223	447,655
Manganese ore ¹	48,406	21,447	214,008	105,364
Iron ore.....	301,418	183,256	1,769,154	1,415,669
Magnesite (dead burned).....		3,912	12,111	31,386

¹ Manganese content only. ² Silicon content only. ³ Chromium content only.

Destination of iron and steel exports from the United States
[In gross tons]

Country of destination	July, 1929	June, 1929	July, 1928	January through July	
				1929	1928
North and Central America and West Indies.....	143,303	139,449	121,410	958,054	772,689
Canada and Newfoundland.....	118,163	117,056	100,358	793,777	636,192
Cuba.....	5,847	4,624	6,289	42,199	37,535
Guatemala.....	949	335	264	4,776	6,099
Honduras.....	495	736	508	7,222	4,459
Mexico.....	11,906	10,876	6,999	57,991	46,796
Panama.....	780	1,040	1,248	11,001	9,756
Salvador.....	462	234	307	4,675	2,218
British West Indies.....	697	1,662	514	13,082	4,881
Other West Indies.....	3,006	2,127	4,348	17,390	19,383
Other Central America.....	998	759	575	5,941	5,370
South America.....	28,701	27,026	38,366	244,022	255,716
Argentina.....	6,421	8,420	6,544	60,208	57,746
Brazil.....	6,739	4,681	9,527	40,255	50,835
Chile.....	5,074	2,879	4,157	36,915	40,282
Colombia.....	2,725	2,723	7,391	27,455	42,597
Peru.....	3,076	2,365	900	20,748	14,290
Uruguay.....	381	374	354	5,822	5,438
Venezuela.....	4,024	5,189	9,239	49,337	41,139
Other South America.....	261	395	254	3,282	3,389
Europe.....	36,905	31,599	32,300	229,557	181,973
Belgium.....	149	165	1,690	1,949	8,987
France.....	3,636	1,564	440	13,490	2,939
Germany.....	5,017	766	192	17,741	20,607
Italy.....	10,333	10,495	8,274	74,765	52,375
Netherlands.....	226	168	99	1,740	1,432
Poland and Danzig.....	6,634	7,406	13,765	54,396	45,805
Rumania.....	479	182	537	2,284	2,933
Soviet Russia.....	131	159	407	2,243	1,976
United Kingdom.....	6,005	5,455	5,010	37,316	31,464
Other Europe.....	4,295	5,239	1,886	23,633	13,455
Far East.....	59,388	46,982	60,189	416,906	391,346
British Malaya.....	382	85	442	4,790	3,856
China.....	4,740	4,587	6,723	46,091	64,258
Netherland East Indies.....	7,452	3,269	3,690	44,273	17,741
India and Ceylon.....	382	1,440	764	11,628	14,326
Japan.....	31,330	27,558	32,969	218,072	114,541
Kwantung.....	617	609	1,498	8,488	4,479
Philippine Islands.....	11,302	5,078	11,093	58,353	55,226
Australia.....	2,116	2,593	1,610	13,563	9,195
New Zealand.....	142	226	164	2,937	1,211
Other Asia and Far East.....	925	1,537	1,236	8,711	6,513
Africa.....	2,235	2,755	1,140	13,832	9,043
Union of South Africa.....	1,168	1,029	333	5,361	3,813
Egypt.....	885	1,100	323	5,780	3,411
Mozambique.....	328	288	311	1,432	790
Other Africa.....	154	338	173	1,259	1,029
Total.....	270,532	247,811	263,405	1,862,371	1,610,767

United States imports of iron and steel products
[In gross tons]

	July	June
Austria.....	50	34
Belgium.....	15,497	9,888
Bulgaria.....	170	660
Czechoslovakia.....		
France.....	13,556	9,965
Germany.....	13,163	12,580
Italy.....	217	387
Netherlands.....	837	
Norway.....	1,668	3,677
Poland.....		1,629
Sweden.....	3,491	3,835
Switzerland.....	40	3
United Kingdom.....	4,034	5,790
Europe.....	52,723	48,448
Canada.....	13,305	10,042
Mexico.....	33	39
Cuba.....	195	1,200
British India.....	5,120	3,903
Japan.....	2	3
Total.....	71,378	63,635

Mr. WALSH of Montana. I want to call the especial attention of the Senator from Pennsylvania to the following statement in the article:

Pig iron was exported in July chiefly to Japan, 5,702 tons, and to Canada, 1,724 tons.

Can the Senator tell us where that pig iron came from that went to Japan?

Mr. REED. I can not. I have no idea. I never heard of it before and I can not imagine, unless it was some special kind of pig iron, how in the world they ever could get it there because it would cost twice as much to lay down American pig iron in Japan as Indian pig iron.

Mr. WALSH of Montana. The Senator spoke about a "special kind of pig iron."

Mr. REED. There are all kinds of pig iron—steel-making pig iron, various kinds of gray iron, ordinary foundry pig, basic iron, Bessemer iron, and so forth. It would take all day and exhaust my knowledge very quickly if I undertook to give a catalogue of them.

Mr. WALSH of Montana. I now yield to the Senator from New Jersey.

Mr. KEAN. I simply want to say to the Senator that as companies in which I am interested in the State of New Jersey use nearly \$2,000,000 worth of cast-iron pipe a year, I am thoroughly familiar with the cast-iron pipe market. I have bought French cast-iron pipe for \$10 a ton less than I could buy cast-iron pipe made in the State of New Jersey 75 or 80 miles away from where it was to be laid.

It costs as much to ship from Florence, N. J., to the other side of New York a ton of cast-iron pipe as it does to bring it from France. Therefore it would cost a good deal more to take the pipe to Quincy, Mass., than it would to bring it there from France. If we wish to encourage American manufacturers, if we wish to have Americans employed in making this pipe, we must increase the duty when we come to cast-iron pipe or else all along the seaboard we shall find that the cast-iron pipe industry will be absolutely destroyed.

Mr. WALSH of Montana. Mr. President, I wonder if the Senator from New Jersey could tell us whether the 5,702 tons of pig iron that in the month of July went to Japan were not produced upon the Atlantic coast, passed through the Panama Canal, and across the ocean to Japan?

Mr. KEAN. I do not think so, because, of course, pig iron made in New Jersey and made in eastern Pennsylvania is of better quality for foundry purposes than that which is made in Ohio.

Mr. WALSH of Montana. Could the Senator make a guess of any other vicinity in which pig iron is produced from which it could be transported to Japan at less cost than it could be transported from New Jersey and Pennsylvania?

Mr. KEAN. No, I could not; but I could make a guess—because I have had something to do with that—that a large part of the pig iron made in the vicinity of Detroit is shipped across to Windsor and is made into automobiles and various things of that kind.

Mr. WALSH of Montana. That might be so in case of exportations to Canada, but I was speaking about exportations to Japan. The Senator from New Jersey can not think of any vicinity other than New Jersey and Pennsylvania from which pig iron could be shipped at less cost to Japan?

Mr. KEAN. It might possibly be shipped from the Pacific coast.

Mr. WALSH of Montana. Does the Senator know of the production of pig iron on the Pacific coast anywhere?

Mr. KEAN. I have heard that there are two furnaces there. Mr. WALSH of Montana. Where?

Mr. KEAN. I think there is one in Oregon and one in Utah.

Mr. WALSH of Montana. But Utah is 700 miles from the Pacific coast.

Mr. KEAN. Yes; and I think that would be a pretty good lift over the mountains, in view of the freight cost, the same as in the case of shipments over the Alleghenies.

Mr. WALSH of Montana. That is all.

Mr. NORRIS. Mr. President, I was exceedingly interested in the debate—I was going to say the controversy; but I can not call it that, because it is educational in its nature—that has been going on between the Senator from Montana [Mr. WALSH] and the Senator from New Jersey [Mr. KEAN]. It is quite evident from the suggestion of the Senator from New Jersey that he knows a great deal about this subject, particularly as to the production of pig iron. I should like to ask the Senator, just to get the benefit of his information, a question. As I understand, he has had considerable experience in the production of cast-iron pipe. Where do the Senator and the company in which he is interested get the pig iron out of which they make their product, or do they make cast-iron pipe out of pig iron?

Mr. KEAN. I am not interested in cast-iron-pipe foundries.

Mr. NORRIS. I understood the Senator was.

Mr. KEAN. No; I am not interested in cast-iron-pipe foundries, but I can tell the Senator where the foundries get pig iron.

Mr. NORRIS. Very well.

Mr. KEAN. They buy some of it from Pennsylvania, and some of it comes by water from Alabama. They take it in different qualities of pig iron so as to get a different metallic structure.

Mr. NORRIS. Of what factory is the Senator from New Jersey speaking now? Is it in his State?

Mr. KEAN. I am speaking of factories in my State.

Mr. NORRIS. Those factories get some of their pig iron, did the Senator say, from California?

Mr. KEAN. Oh, no; I said they got it from Alabama. It comes by water. Some of it comes from Alabama, some of it comes from Pennsylvania, and some of it comes from New Jersey. The foundries mix the different qualities of pig iron.

Mr. NORRIS. Do they not get any pig iron from India and Great Britain?

Mr. KEAN. They get some from France; and they have gotten some of it sometimes from other places.

Mr. NORRIS. Where do they get the bulk of it? Where does most of it come from?

Mr. KEAN. Most of it comes from New Jersey, Pennsylvania, and Alabama.

Mr. NORRIS. Then, as a matter of fact, those who use pig iron, at least those who use it to make cast-iron pipe—

Mr. KEAN. They have been buying a little from France and Belgium and Great Britain.

Mr. NORRIS. But, I understand the Senator to say the bulk of the pig iron which they use comes from Pennsylvania, New Jersey, and Alabama?

Mr. KEAN. Yes; it has come from there heretofore.

Mr. NORRIS. When did they change to a different place from which to buy the raw product?

Mr. KEAN. When the British reduced their prices on pig iron.

Mr. NORRIS. When was that?

Mr. KEAN. That was after the World War.

Mr. NORRIS. Since the war, then, the companies making cast-iron pipe have not been getting their raw material, their pig iron, from New Jersey or from Pennsylvania or from Alabama?

Mr. KEAN. They have been getting some of it from those sources, but not to the same extent as formerly. I can not give the figures.

Mr. NORRIS. I am trying to get a correct picture of the situation. Can the Senator tell what proportion they import and what proportion they get from domestic production?

Mr. KEAN. I can not. I am a buyer of pipe and not a maker of pipe.

Mr. NORRIS. Although the Senator is a buyer of pipe, instead of a maker of pipe, probably he can give us valuable information about it anyway, because of his knowledge as a buyer.

Mr. WALSH of Montana. Mr. President, out of the abundance of information of the Senator from New Jersey on this subject, I should like to inquire of him whether they export any cast-iron pipe from New Jersey?

Mr. KEAN. No.

Mr. WALSH of Montana. The same source of information, the Iron Age, of July 25, 1929, tells us as follows:

LXXI—330

In the pig-iron market the broadening scope of southern competition reflects a decline in Birmingham consumption and a corresponding need for business from other markets. The Alabama subsidiary of the Steel Corporation is shipping against orders for 50,000 tons each from a New Jersey cast-iron pipe plant and a Pacific coast steel works, and has booked 12,000 tons for delivery in Japan.

Mr. KEAN. I am glad that they were able to make the pipe in New Jersey and ship it to Japan. I can not understand how they can do it, but I am very glad they were able to do it. It gave the workmen in New Jersey something to do at any rate.

Mr. WALSH of Montana. It would seem as if they were not in deadly need of an increase in the duty.

Mr. KEAN. I am only telling the Senator what I personally know. Two years ago I was able to buy more than a half million dollars' worth of pipe on the dock at Newark, N. J., at \$10 less per ton than I could buy it from the cast-iron pipe people.

Mr. BARKLEY. Does the Senator mean to say that he has been patronizing a foreign manufacturer of pig iron?

Mr. KEAN. I do. I buy pipe where I can buy it cheapest for the benefit of the public.

Mr. BARKLEY. The Senator's reputation for being a good business man has been enhanced by that statement.

Mr. NORRIS. Mr. President, I notice that the Tariff Commission, in the document which has been furnished all of us, says that importations of cast-iron pipe have been comparatively small, being a little over 6 per cent.

Mr. KEAN. That is because the importations only affect the seaboard.

Mr. NORRIS. The Senator has said that the people who manufacture cast-iron pipe in his State often buy their product in California.

Mr. KEAN. Oh, no; the Senator is mistaken.

Mr. NORRIS. I believe I am; I asked the Senator that question once before. They buy it in Alabama—

Mr. KEAN. Yes.

Mr. NORRIS. And in Pennsylvania. That does not go by water, does it?

Mr. KEAN. Pennsylvania is only across the Delaware River from the foundries.

Mr. NORRIS. Does the Senator mean to say that, so far as his observation goes, the figures are wrong which the Tariff Commission gives to us the effect that only 6 per cent of the cast-iron pipe used is imported?

Mr. KEAN. I have not seen those figures.

Mr. NORRIS. It is stated that in 1927 the ratio of imports to domestic production of comparable grades was 6.15 per cent.

Mr. KEAN. Nearly all of that pipe, Mr. President, was used on the Atlantic seaboard.

Mr. NORRIS. This report also states that practically all of it comes from France.

Mr. BARKLEY. Mr. President, I have here the Iron Age for August, 1915, and I find on page 426, under the Iron and Steel Market, the following paragraph:

Aggressive selling of Alabama iron has further accentuated competition in northern markets. Southern foundry iron is now being freely quoted at \$13, Birmingham, for deliveries in the Chicago district, and that price has been shaded 50 cents a ton in one large transaction. The attention of southern producers has also been turned to Europe, following the receipt of inquiries for pig iron for shipment to Italy.

So the Alabama iron producers are considering the exportation of iron to Italy. They are already supplying a certain quantity of it in the Chicago market. I have here also a leaf from the Iron Trade Review of January 17, 1929, in which I find on the editorial page this language:

[From the Iron Trade Review, January 17, 1929]

American pig-iron producers have a great advantage over those of Europe in the fact only 1.80 to 1.85 tons of domestic ore is necessary in making a ton of pig iron, while in many European pig-iron districts 2.22 to 2.50 tons of ore is needed for a ton of iron.

There are other comments on the general subject of iron, but that is the one to which I desire to call the attention of the Senate.

I also have a clipping from a trade paper called American Metal Market, of January 19, 1929, the title of which is "Fair Volume of Pig Iron Inquiry Out." After going on and stating the general conditions in the pig-iron industry, I find the following paragraph:

Members of the trade are still reluctant to discuss the ultimate effect of the proposed increase of \$3 a ton in the duty on pig iron.

That was back in January, when there was talk of a \$3 increase, and I think such an increase had been requested before the House Ways and Means Committee.

It is pointed out, however, that the Dutch and Indian iron arriving here are commanding a premium of \$1.50 to \$2 a ton over the American iron, and for this reason the demand for an increase in the duty on this iron does not reflect conditions which under ordinary circumstances could be made the basis of a complaint in respect to either dumping or competition. In the absence of opposition to the demands by the consumers of the iron it is likely that an increased duty may be obtained which would check the importation.

There is a statement from a trade journal published last January, contemplating a possible increase of \$3 a ton in the pig-iron duty, that imported Dutch and Indian pig iron enjoys a premium of from \$1.50 to \$2 a ton over American iron.

Mr. President, I have said all I wish to say about this matter, and I am ready for a vote, so far as I am concerned.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

Mr. REED. I ask for the yeas and nays.

Mr. COUZENS. I suggest the absence of a quorum. Some of the Senators are not present who desire to vote on this amendment.

The PRESIDING OFFICER. The Senator from Michigan suggests the absence of a quorum. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Kean	Shortridge
Barkley	Frazier	Kendrick	Simmons
Black	George	Keyes	Smith
Blaine	Glenn	La Follette	Smoot
Blease	Goff	McKellar	Steck
Borah	Goldsborough	McNary	Steinwer
Bratton	Gould	Metcalf	Stephens
Brock	Greene	Moses	Thomas, Idaho
Brookhart	Hale	Norbeck	Thomas, Okla.
Broussard	Harris	Norris	Townsend
Capper	Harrison	Nye	Trammell
Caraway	Hastings	Oddie	Tydings
Connally	Hatfield	Overman	Vandenberg
Copeland	Hawes	Philips	Wagner
Couzens	Hayden	Pine	Walcott
Cutting	Hebert	Ransdell	Walsh, Mass.
Dale	Heflin	Reed	Walsh, Mont.
Deneen	Howell	Sackett	Waterman
Edge	Johnson	Schall	Wheeler
Fess	Jones	Sheppard	

The VICE PRESIDENT. Seventy-nine Senators have answered to their names. A quorum is present. The question is on agreeing to the amendment proposed by the Senator from Kentucky [Mr. BARKLEY] to the amendment of the committee.

Mr. HEFLIN. Mr. President, if the amendment of the Senator from Kentucky is adopted there will be no opportunity to reach a compromise between that and the \$1.50 offered by the committee, as I understand.

The VICE PRESIDENT. If the amendment is agreed to, the question then will be upon the committee amendment as amended.

Mr. HEFLIN. Which will make it 75 cents, as I understand.

The VICE PRESIDENT. Or the House rate.

Mr. HEFLIN. Which is 75 cents?

The VICE PRESIDENT. The question will be between the House rate and the amendment of the Senator from Kentucky, which is 75 cents.

Mr. HEFLIN. As I understand, the rate offered by the Senator from Kentucky is 75 cents?

The VICE PRESIDENT. Seventy-five cents; and the House rate is \$1.12½.

Mr. HEFLIN. And the President, upon the recommendation of the Tariff Commission, recommended \$1.12½. The only way to get a compromise between 75 cents and \$1.12½ is to vote down the amendment of the Senator from Kentucky.

The VICE PRESIDENT. The question is on agreeing to the amendment of the Senator from Kentucky [Mr. BARKLEY] to the amendment of the committee.

Mr. REED. I call for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. JONES (when his name was called). The senior Senator from Virginia [Mr. SWANSON] had to leave the Chamber for the afternoon, and I promised to take care of him. Not knowing how he would vote on this question, I withhold my vote.

Mr. OVERMAN (when his name was called). The senior Senator from Wyoming [Mr. WARREN] is unavoidably detained. I have a general pair with that Senator, which I transfer to the junior Senator from Utah [Mr. KING], and will vote. I vote "yea."

Mr. STEPHENS (when his name was called). I transfer my pair with the junior Senator from Indiana [Mr. ROBINSON] to the senior Senator from Minnesota [Mr. SHIPSTEAD] and will vote. I vote "yea."

Mr. WAGNER (when his name was called). I have a pair with the junior Senator from Missouri [Mr. PATTERSON]. I transfer that pair to the junior Senator from South Dakota [Mr. McMASTER] and will vote. I vote "yea."

The roll call was concluded.

Mr. FESS. I desire to announce the following general pairs: The Senator from Indiana [Mr. WATSON] with the Senator from Arkansas [Mr. ROBINSON];

The Senator from Massachusetts [Mr. GILLET] with the Senator from Washington [Mr. DILL];

The Senator from Connecticut [Mr. BINGHAM] with the Senator from Virginia [Mr. GLASS]; and

The Senator from Kansas [Mr. ALLEN] with the Senator from Nevada [Mr. PITTMAN].

The result was announced—yeas 48, nays 30, as follows:

YEAS—48

Ashurst	Copeland	McKellar	Steck
Barkley	Cutting	McNary	Steinwer
Black	Fletcher	Norbeck	Stephens
Blaine	Frazier	Norris	Thomas, Idaho
Blease	George	Nye	Thomas, Okla.
Borah	Harris	Overman	Trammell
Bratton	Harrison	Pine	Tydings
Brock	Hawes	Sackett	Wagner
Brookhart	Hayden	Schall	Walsh, Mass.
Capper	Howell	Sheppard	Walsh, Mont.
Caraway	Johnson	Simmons	Waterman
Connally	La Follette	Smith	Wheeler

NAYS—30

Broussard	Goldsborough	Kean	Reed
Couzens	Gould	Kendrick	Shortridge
Dale	Greene	Keyes	Smoot
Deneen	Hale	Metcalf	Townsend
Edge	Hastings	Moses	Vandenberg
Fess	Hatfield	Oddie	Walcott
Glenn	Hebert	Philips	
Goff	Heflin	Ransdell	

NOT VOTING—16

Allen	Glass	Patterson	Shipstead
Bingham	Jones	Pittman	Swanson
Dill	King	Robinson, Ark.	Warren
Gillett	McMaster	Robinson, Ind.	Watson

So Mr. BARKLEY's amendment to the amendment of the committee was agreed to.

The VICE PRESIDENT. The question now is upon agreeing to the amendment of the committee as amended.

The amendment as amended was agreed to.

Mr. SIMMONS. Mr. President, I am exceedingly anxious, and I am certain my colleagues upon this side of the Chamber are equally anxious, that the consideration of the pending bill be expedited in every possible way. I am going to make a proposition for a limitation of debate upon amendments to the paragraphs contained in this schedule, except the paragraphs covering manganese and structural iron and steel.

I propose a unanimous-consent agreement that on all paragraphs except those having to do with manganese and structural iron and steel no Senator shall speak more than 10 minutes for or against any amendment.

The VICE PRESIDENT. Is there objection?

Mr. COUZENS. I object.

Mr. SIMMONS. Mr. President, I ask the Senator from Michigan if there is some particular item in which he may be interested that if it is excepted along with manganese and structural iron and steel, will he then withdraw his objection?

Mr. COUZENS. I will not withdraw my objection unless the Senator includes the whole bill. I object to any one group taking out certain items in which they are interested and having unlimited debate, and putting a restriction on other items in which other Senators may be interested.

Mr. SIMMONS. The Senator understands that there are some items as to which there will be very much more debate than as to others. I think most of the items can be discussed in 10-minute speeches. There are some of them which could not be covered in 10-minute speeches. If the Senator would point out any other item which he thinks we ought to except by the unanimous-consent agreement, I would be very glad to incorporate it in my suggestion.

Mr. COUZENS. If the Senator will incorporate in his suggestion all the paragraphs, and not pick out the metal schedule, I will be glad to consider it.

Mr. SIMMONS. I will say to the Senator that when we reach another schedule I shall be very glad to make a similar request excepting possibly one or two items, as I have as to this schedule, which all of us agree would require more discussion than 10 minutes would permit.

Mr. COUZENS. I would like to have the bill expedited in every way possible, but it should be left to the judgment of individual Senators as to whether they place sufficient importance on an item or not, and it should not be left to any leaders.

The VICE PRESIDENT. The Secretary will state the next amendment of the committee.

The next amendment was, on page 56, line 5, before the words "per ton," to strike out "75 cents" and insert "\$1," so as to read:

Spiegeleisen containing more than 1 per cent of carbon, \$1 per ton.

Mr. BARKLEY. Mr. President, I should like to inquire from somebody who is responsible for this increase what the reason for it is.

Mr. REED. Mr. President, this is the same problem we had as to pig iron. Spiegeleisen is made in a blast furnace. It contains a small percentage of manganese. The definition in the bill is that any pig iron containing manganese of less than 30 per cent is considered spiegeleisen, and containing over 30 per cent, it is considered ferromanganese.

The same reasons which apply to the action of the Tariff Commission and the President and the Finance Committee apply to this item, but, of course, I realize that those who control the Senate at the present time are not affected by that. I do not see any use of prolonging the debate on it.

May I say that the action just taken by the Senate on the pig-iron amendment furnishes clear evidence to the American people of what was meant by the tariff plank in the Democratic platform; it shows what was meant by a competitive tariff, the thing that was announced in that platform.

When we have a condition where it is proven by the Tariff Commission that the cost of production here is \$7 more than in our principal competing countries, and when the Senate will deliberately vote down a duty from \$1.50 to 75 cents on that product, two things become apparent. One is that further discussion from us who believe in protective tariffs is utterly wasted on the floor of the Senate. The other is that all the talk about a competitive tariff which would furnish equality of competition between America and the nations of cheap labor abroad was all political eyewash. The actions of the Senate in this regard speak louder than words, and show just what was meant by that plank.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. REED. I yield to the Senator from Maryland.

Mr. TYDINGS. Mr. President, without taking exception to anything the Senator from Pennsylvania has said, though not admitting it, I think it fair to include members of his own party, as well as Democrats, if the vote is to be taken as a criterion. I do not think it is fair continually for those on the other side to make out that their party is a unit on this proposition, and that we are but an obstruction element.

Mr. REED. Mr. President, I realize that, and I hope my manner of dealing with it will not seem to imply anything more than a fundamental disagreement in policy. I grant that an American may believe in free trade, and he may vote that belief here. He may think it is of more importance that we buy Indian pig iron and keep Indian coolies employed at 14 cents a day so that Americans can get cheap pig iron, than it is to have American industry manufacture that product and create that business activity here. Honest men disagree in that.

If my friends on the other side believe in such a theory, I can differ, but I do not denounce, and I do not mean the vigor of my words to imply a denunciation. I differ very radically. I hope my colleagues will understand that that is all I am doing.

Mr. BRATTON. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. BRATTON. The Senator has indicated that the vote just taken implies two things. I wonder if he would add to them that certain Senators from the Western States are doing more damage than all the communists in the country.

Mr. REED. Yes; I quite believe that.

Mr. BRATTON. That is the view of the Senator still?

Mr. REED. Yes; I quite believe that. I do not think the communists are doing any damage at all, but I believe that the action of the Senate on such items as this, where the facts are proven beyond a doubt by their own Tariff Commission, is doing more damage to the stability and the structure of American industry than anything which could be done by these unworthy groups I have mentioned.

Mr. President, I think the action of the Senate on the first two schedules and on the first item in the third schedule demonstrates the utter futility of any further argument from us.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

Mr. REED. I yield.

Mr. WALSH of Massachusetts. I dislike to interrupt the Senator, but I have talked with other Senators, and I find that, like me, they have not received a single, solitary letter from a constituent in their States about these items. I come from a great manufacturing State, where pig iron and these other articles are used, and I have not as yet received a single, solitary letter, and the impression I have gotten from the Senators with whom I have talked is that there are a limited number who are asking for these increases, and that there was not a popular, general demand. I think the Senator ought to inform the Senate to what extent and how general is the demand for the increases the committee has recommended. I venture to say that there are not six Senators on this floor who have received communications from any constituents in their States in reference to the items in this paragraph. That may be due to the fact that the petitioners felt that they presented their case before the committee and that that was sufficient, but it is a significant fact that in regard to an important commodity of the kind under discussion no appeals and no requests have come from any quarter asking us to support these recommendations.

Mr. REED. I think they must have thought the case had been made in the House, where there was extensive evidence, and before the Senate committee, and the case made by the Tariff Commission, and the action of the President all made it so clear that there was no doubt about the action of the Congress.

The Senate to-day has canceled the action of the President based on years of examination of the Tariff Commission, based on a showing which would justify a \$7 duty.

I realize the utter futility of any further argument on this side. I sat still when request was made—

Mr. BROOKHART. Mr. President, will the Senator yield?

Mr. REED. No; just a moment. I sat still when the Senator from North Carolina [Mr. SIMMONS] proposed a limitation of debate. I would have been willing to see that unanimous-consent agreement entered into for this schedule or for all the others. I had hoped he would make his request apply to the entire bill and limit debate on the bill and every amendment to 10 minutes. If that were done, we could pass the bill in a comparatively short time.

You are going to have your way. Nothing we can do is going to make any difference, and whether we talk 10 minutes or 10 hours is not going to change your votes. I had hoped that an agreement was going to be entered into as was asked by the Senator from North Carolina.

I know perfectly well that there are points involved in this metal schedule which the brightest man on earth could not comprehend after 10 minutes' explanation. If anybody doubts that, let him read paragraph 367 and paragraph 368, where the tariff on clocks and watches is fixed. Nobody living could explain those paragraphs in 10 minutes, nor could anybody living understand the explanation in 10 minutes. But what is the difference? The talk would be simply wasted.

Mr. COUZENS. Mr. President, will the Senator yield?

Mr. REED. That is why I had hoped to see an agreement entered into. I yield to the Senator from Michigan.

Mr. COUZENS. It is perfectly obvious, no matter what may be said about watches and clocks, that there is not going to be any increase in the duties, and what is the use of talking for 10 minutes?

Mr. REED. That is what I say; it would not make any difference whether we had a Tariff Commission report or whether we had the utmost eloquence in support of the committee action on watches and clocks, nobody would pay any attention to it. The coalition has made up its mind to knock out every increase in these industrial rates, and we might just as well go ahead and have done with it. Then the bill will go to conference, and the House and the Senate will never agree, but we will at least be rid of it and can go on with our routine of business.

Mr. HARRISON, Mr. BLEASE, and Mr. GOFF addressed the Chair.

The VICE PRESIDENT. Does the Senator from Pennsylvania yield; and if so, to whom?

Mr. REED. I yield the floor.

The VICE PRESIDENT. The Senator from Mississippi is recognized.

Mr. HARRISON. Mr. President, now we will proceed along very rapidly since the Senator from Pennsylvania is so dis-

couraged—his statement almost makes me weep. I do not know why he should feel so disheartened.

Mr. REED. Mr. President—

Mr. HARRISON. As soon as he is defeated on this important steel item he wants to quit. I yield to the Senator.

Mr. REED. I notice the Senator did not actually weep; but the Senator will when the next election comes along.

Mr. HARRISON. Of course, if I were running up in Pittsburgh, I suppose, running against the Senator from Pittsburgh, I would be defeated; but before the average electorate of America, I think I could run pretty well with the Senator from Pennsylvania, especially on the issues presented in the consideration of this tariff monstrosity.

Mr. REED. The Senator would probably carry four States, as his party did last November.

Mr. HARRISON. The election yesterday did not show that the Senator and his crowd are running very strong in certain cities and sections of the country at this time. If they are indicative of what is to happen, we would not lose four States.

Mr. BORAH. Mr. President—

Mr. HARRISON. I yield to the Senator from Idaho.

Mr. BORAH. I do not want to take the Senator off the floor, but we ought not get into a debate here over past transactions if we are going to take the rest of the afternoon for that purpose. I hope we may go ahead and do exactly what the Senator from Pennsylvania says we are going to do, and that is to write the bill. I have no objection to the Senator from Mississippi replying to the Senator from Pennsylvania, but I do hope that we can make progress, because we have to write the bill as it ought to be written.

Mr. GOFF. Mr. President—

The VICE PRESIDENT. Does the Senator from Mississippi yield to the Senator from West Virginia?

Mr. HARRISON. If the Senator will give me just two minutes, I will get through so that we may vote on this item.

Mr. GOFF. I want to ask the Senator from Mississippi, as well as the Senator from Idaho, if it is not their view that the solution of the question lies with the coalition now to take the bill and write it to suit their views?

Mr. HARRISON. Of course, the Senator from West Virginia and the Senator from Pennsylvania are ready to quit and weep upon the shoulders of the Senate as soon as we finish with glass and steel.

Mr. GOFF. The Senator from Mississippi does not understand the meaning of the word "quit" if he applies it to any thought or action on my part.

Mr. HARRISON. I am just trying to give the Senator some good advice before his election comes next year.

Mr. GOFF. The Senator may keep that advice to himself, because we have only one State of Mississippi in the Union.

Mr. HARRISON. And if we had 47 more like it we would certainly have an even greater country! [Laughter.]

Mr. President, in the consideration of the bill we have reached the item called spiegeleisen, connected with steel, as to which the Senator from Kentucky [Mr. BARKLEY] asked for some explanation for the increase. What response do we get? The Senator from Utah [Mr. SMOOT] knows nothing about it, and he does not attempt to make any explanation. The Senator from New Jersey [Mr. EDGE] sits there quietly waiting for the time to come for him to go to France. The "Senator from Pittsburgh," in charge of the schedule, rises and says, "What is the use to explain? We have been defeated, and we need not talk about these items any more."

The fact of the matter is that the Senator did not explain for the reason that the Tariff Commission in its summary states that larger quantities of spiegeleisen were imported in pre-war years than at present, largely from England, and with gradual changes in steel metallurgy imports, as well as total consumption in the United States, have not increased proportionately. There is no increase of rates justified. There is no reason for an increased rate. No wonder the Senator from Pennsylvania refuses to make any explanation.

Now, Mr. President, I am ready for a vote on the item.

Mr. WALSH of Montana. Mr. President, before we pass from the matter which has engaged our attention during the last few minutes I wish to remind Senators that it is quite obvious that the more or less petulant comment of the Senator from Pennsylvania arises from disappointment over the vote which has been taken. I desire, however, to call attention to the fact that upon the item upon which we have just voted the case made by him is so weak that four Senators allied with him in that faction of the Republican side of the Senate generally spoken of as "regulars"—not the insurgents or progressive Republicans, but the "regular" Republicans—voted against him, Senators SACKETT, STEINER, WATERMAN, and THOMAS of Idaho, than whom there are none more regular in this body.

Mr. NORRIS. Mr. President, the lectures of the Senator from Pennsylvania [Mr. REED] are becoming monotonous and regular. The Senator from Pennsylvania is not only "regular" in his political views but he is regular in his lectures which he delivers to us after we vote. The question in my mind is whether the Senator from Pennsylvania is not perilously near a violation of the rules of the Senate. At least he violates very grossly ordinary sportsmanship when after a full debate lasting for several hours the Senate on a roll call decides something contrary to his convictions, he then proceeds to lecture us.

I do not believe it is very becoming to the great Senator from that great State, after a debate when the question has been submitted to the judgment of his fellow Senators, for him to rise on the floor of the Senate and question their intelligence and their right even to vote their sentiments. If we are to conduct our negotiations and our debates along those lines, it will not be long until, instead of being a parliamentary, distinguished, courteous body of gentlemen, we will become a mob, because men with the honest spirit of righteousness in their hearts are not always going to submit to the kind of criticism that is being administered to us after we have voted.

I at once relieve the Senator from Pennsylvania from any motive that is wrong in the position which he has taken on this question or that he takes on any of the items in the bill, but I am not willing to sit idly by and indirectly, at least, day after day be accused of almost being an enemy to my country or accused of being a free trader. I do not believe in free trade. I claim to be a protectionist. I think the Senators who do more harm to the theory and the practice of honest, intelligent protection to American labor and American industries are those who demand that we shall build a tariff wall to the sky and create an embargo.

I know that as to many of these questions we will be called upon and have been called upon to vote when we may not be satisfied in our own minds as to just what is right; but when I find an article manufactured here, with practically no imports, and particularly if it be an article where there are exports, I immediately call upon those who want to put a tariff duty on it to show why it should be done. Upon them, I think, is the burden of proof to show that it should be done.

I do not believe that any honest protectionist can believe in an embargo along our seacoast. If they do believe in that, then we must admit, I think, and history demonstrates, in my judgment, that with an embargo placed upon importations, especially if it is an article controlled by a few or comparatively few individuals or corporations, we would enable trusts and monopolies to build up on this side of the tariff wall to the ruin and the injury and the unhappiness of the American consumers.

The consuming public ought to have something to say about this matter. When we take up the steel schedule, involving a product that goes in modern days into every home and to every business everywhere in the United States we are not justified, as I look at the theory of protection, in putting a burden upon the consumers that will break them down to the earth for the benefit of a comparatively few men or corporations who often are trying to get protection for a product which they manufacture in ways and by methods that are out of date, that are inefficient, and which can not under any theory of protection ask for or demand protection.

We have here, as I look at it—and I think I am as honest in my viewpoint as is the Senator from Pennsylvania—a product produced in the United States along the Atlantic coast. Along that narrow strip it is claimed—and that is the only object of the particular rate—that the producers are driven out of business by foreign competition. It seems to me as plain as the noonday sun that if we would put on \$5 a ton tariff duty, which would not quite meet the wishes of those who want a tariff on the product, there could only be one result. We would drive out the little competition that there is, and it is a very small fraction. The Senator from Kentucky [Mr. BARKLEY] has shown that compared with the production in the portion of the country affected, the little narrow strip to which I have referred, the domestic production, in round numbers, is 1,500,000 tons, and there is imported less than 150,000 tons. The importations are therefore practically nothing.

If we put a tariff of \$5 a ton upon the product the result, it seems to me, would be inevitable. It would enable the domestic producers of that article to raise their price \$5 a ton, and that would mean that they would extend their operations. They would extend their operations to cover the entire narrow strip that is thus affected where they are already operating. If the men in that narrow strip are put out of business because of competition, more than five-sixths of the competition comes from our own producers of the product, and then with the tariff we would enable them to control the entire situation.

There would be no imports at all, but these men would then go out of business absolutely and certainly.

So, even if we think of those who engage in the business in this narrow strip of country, it seems to me that we can not take the attitude which the Senator from Pennsylvania takes. It seems to me we are justified in taking the action we have taken. As I look at it, that is the fact. Why should we be lectured after we have taken that action? Why should any Senator after we have voted question our motives? Why should we continually be lectured by some Senator who wants to build a tariff wall to the sky? So far as I am concerned, I am tired of it, and I am tired of having my motives impugned or questioned.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. FLETCHER. Mr. President, it ought to be borne in mind that the House bill carried a rate on the item which we have just passed upon of \$1.12½ per ton. That is the rate recommended by the Tariff Commission, as I understand. I would have been perfectly willing to leave it at that rate, and disagree to the committee amendment. But that was not the question. The question arose whether we would accept the committee amendment of \$1.50 instead of \$1.12½. The committee proposed to increase the duty by making the rate \$1.50. The Senator from Kentucky [Mr. BARKLEY] moved that the rate be made 75 cents, and as between 75 cents and \$1.50 per ton, I felt that 75 cents was nearer right. I repeat, I would have been willing to stand for \$1.12½ as covered by the House provision.

So, on the item of spiegeleisen, in line 4, the House provided a rate of 75 cents. That was the result of all the hearings before the Ways and Means Committee; the House fixed the rate at 75 cents. The Senate committee proposes to make that \$1. There ought to be some reason why that should be done. Otherwise I should feel inclined to vote against the committee amendment.

Mr. McKELLAR. Mr. President, will the Senator from Florida yield to me?

The VICE PRESIDENT. Does the Senator from Florida yield to the Senator from Tennessee?

Mr. FLETCHER. I yield.

Mr. McKELLAR. In addition to what the Senator has stated about changing the rate recommended by the Tariff Commission, and in answer to what the Senator from Pennsylvania has just said, I wish to call the attention of the Senate and the Senator to the fact that the committee itself in reporting the bill recommended, as I recall, a change in something like 29 of the 37 rates which the Tariff Commission had fixed.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was rejected.

The VICE PRESIDENT. The next committee amendment will be stated.

The CHIEF CLERK. On page 56, line 5, after the word "ton" and the semicolon, it is proposed to insert "granular or sponge iron, \$2 per ton."

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was rejected.

The VICE PRESIDENT. The next amendment will be stated.

Mr. SMOOT. Before we leave the amendment proposing to insert the words "granular or sponge iron, \$2 per ton," I call attention to the fact that that language has been taken from paragraph 303, on page 60 of the bill.

Mr. BARKLEY. What is the Senator proposing?

Mr. SMOOT. I was calling attention to the fact that the amendment which has just been disagreed to by the Senate was taken from paragraph 303, page 60, lines 6 and 7. Does the Senator want to act upon that amendment now, or does he want to leave it and act upon it when we reach paragraph 303?

Mr. BARKLEY. We might as well do that.

Mr. SMOOT. Very well. I merely wished to call attention to it.

The VICE PRESIDENT. The next committee amendment will be stated.

The CHIEF CLERK. On page 56, line 7, after the word "steel," it is proposed to insert "hammer scale, roll scale, and mill scale."

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. BARKLEY. I desire to ask the Senator from Utah whether in "hammer scale, roll scale, and mill scale" there is any tungsten?

Mr. SMOOT. No; there is not.

Mr. BARKLEY. Those products, then, are not affected by the rates later on?

Mr. SMOOT. Not as to tungsten.

Mr. BARKLEY. But as to tungsten alloy?

Mr. REED. If the Senator from Kentucky will forgive me an interruption, I desire to say that it sometimes does contain tungsten and vanadium, and would come within the last proviso.

Mr. SMOOT. As I was going to say, sometimes scale does contain tungsten and vanadium.

Mr. BARKLEY. That is what I was inquiring about. The difference on the rate, however, is only between 72 and 75 cents, and so it does not mean anything very material.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The VICE PRESIDENT. The next committee amendment will be stated.

The CHIEF CLERK. The next amendment is on page 56, line 6, to strike out the word "and" before the word "scrap."

The amendment was agreed to.

The VICE PRESIDENT. The next committee amendment will be stated.

The CHIEF CLERK. On page 56, line 18, before the words "per pound," the committee proposes to strike out "4 cents" and to insert "3 cents."

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The next amendment was on page 56, line 19, after the words "in excess of," to strike out the word "two-tenths" and to insert the word "three-tenths," so as to read:

On the chromium content in excess of three-tenths of 1 per cent.

The VICE PRESIDENT. The question is on agreeing to the committee amendment.

Mr. HARRISON. I wish to ask the Senator a question. This amendment provides a reduction from the House rate, but I want to know if it fixes the same rate as that in the present law?

Mr. REED. Mr. President, if the Senator from Utah will yield, I do not recall that there is any corresponding proviso in the present law. The House put in a provision that chromium content in excess of one-fifth of 1 per cent should be taxable. Inasmuch as it was demonstrated that sometimes that much chromium is contained in the scrap by accident, it did not seem fair to us to put that limit in. All we did was to change the 0.2 to 0.3 as the limiting figure. The duty is not changed in that regard. It is a matter of metallurgical practice.

Mr. SMOOT. It is an entirely new provision.

The VICE PRESIDENT. The question is on agreeing to the amendment.

Mr. WALSH of Montana. Mr. President, are we to understand that this provision relates only to the scrap referred to in the second proviso?

Mr. REED. No; it applies to everything in this paragraph.

Mr. WALSH of Montana. It applies to everything in the paragraph?

Mr. SMOOT. Yes.

Mr. WALSH of Montana. Under the present law is the duty 0.6 of a cent on scrap iron containing 1 per cent of chromium?

Mr. REED. I think the duty is something more than that at present. I shall have to look it up. We reduced the House duty on chromium from 4 cents to 3 cents a pound, and on the metallic chromium content my impression is that it is slightly less than the present duty on chromium; but I am not certain as to that.

Mr. WALSH of Montana. The duty on chromium has been reduced?

Mr. REED. I think so. If I find I am wrong, I will call the Senator's attention to it.

Mr. WALSH of Montana. That is another raw material entering into the production of steel. It is produced or can be produced in limitless quantities in the State of Montana. It is necessary for the production of what is known as rustless steel, and it suffers like manganese and many other raw materials entering into the production of steel and other commodities by having a reduction in the rate proposed.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

Mr. REED. Mr. President, I should like to have a vote on the question delayed for a moment until I am able to answer the Senator from Montana. There is a duty of 8 per cent ad valorem additional on steel containing more than six-tenths of 1 per cent of chromium. That is in paragraph 305. My recollection is that we have made it three-tenths of 1 per cent without changing the duty on chromium. Also my recollection is that we have not made any addition to or reduction from the duty on the metallic content of chromium. It is difficult to

find the items scattered among so many paragraphs, but I will answer the Senator more in detail later.

The VICE PRESIDENT. The question is on agreeing to the amendment reported by the committee.

The amendment was agreed to.

Mr. GEORGE. Mr. President, before we pass from paragraph 301 I should like to inquire what the vote of the Senate was upon the amendment in line 5 in regard to granular or sponge iron where a duty of \$2 a ton is proposed.

Mr. SMOOT. That amendment was rejected.

Mr. GEORGE. It was stricken out?

Mr. SMOOT. Yes.

Mr. GEORGE. I want to call the attention of the Senate to this state of facts, as I understand the facts to be, that under the act of 1922 sponge iron was dutiable at about \$9 per ton; that is, the duty on it amounted to approximately \$9 a ton. Under the House bill in section 303 the duty was reduced to about \$6.72 a ton, whereas the Senate committee in section 301 placed the duty at \$2 a ton, which is a very great reduction. If that be true, Mr. President, I think before the paragraph is passed over and before we reach paragraph 303 there ought to be a reconsideration of the action taken on the amendment.

Mr. SMOOT. Mr. President, I understood that the Senator who wanted the amendment disagreed to desired that the action taken by the Senate stand and when we reach paragraph 303 we will take up the subject at that time.

Mr. REED. No; the Senate committee amendment which reduced the duty on sponge iron has been voted down.

Mr. SMOOT. That is true, but after that was done I called attention to the granular sponge iron item in paragraph 303 and asked whether it was desired to act upon it at the time or leave it until we reached paragraph 303. The Senator from Kentucky [Mr. BARKLEY] said, "Leave it until we reach paragraph 303, and we will consider it at that time."

Mr. GEORGE. I am assuming that there was some reason why the committee thought best to take sponge iron from paragraph 303 and put it in paragraph 301.

Mr. REED. Mr. President, sponge iron is not made in this country at all, and we thought it only right to reduce the duty. The coalition has voted against that action without stopping to analyze it.

Mr. GEORGE. That is just the point. Those of us who did not sit in the metals schedule in the committee and vote upon amendments without any explanation in order to make time are likely to suffer this kind of embarrassment.

Here is an item, sponge iron, of which I understand there are no importations at all. The Senate Finance Committee has very properly reduced the duty below that fixed by the House—that is, from approximately \$6.72 to \$2—and the Senate, without considering the effect of its vote, disagreed to that amendment. Now, Mr. President, I ask unanimous consent that we reconsider the vote by which that amendment was disagreed to.

Mr. BARKLEY. Mr. President, reserving the right to object to that, I wish to say that it is not strange at all that there might not have been a full understanding of this amendment. When it was reached I sought to inquire why it had been placed in paragraph 301, but before I could propound the inquiry the vote was had and the amendment was disagreed to.

Now, there is no tariff at all on this article in the present law. The House placed the item in section 303, and the Senate committee has stricken the tax out in paragraph 303 and inserted it in 301. Having disagreed to the amendment in section 301, all we have to do is when we reach paragraph 303 to agree to the Senate committee amendment striking it out there and we will put it back where it is in the present law.

Mr. GEORGE. That will put it back under the basket clause with a duty of 30 per cent, equivalent to \$9 a ton in specific duty. I am trying to correct that very obvious error, according to both sides of the Chamber.

Mr. McKELLAR. Mr. President, if there are no imports, why is it necessary to put any tax at all on the article?

Mr. GEORGE. Mr. President, the importations are very slight; and the Senate Finance Committee, which is certainly presumed to have looked with some degree of care into these items, itself believed that \$2 a ton was ample duty upon this particular product.

I renew my request that we reconsider the vote by which this amendment was stricken out, and have the matter again submitted to the Senate.

Mr. BARKLEY. Mr. President, there being no domestic production of this article, and only 500 tons per year being imported, it seems to me there is no justification even for the \$2 tariff in the Senate committee amendment to paragraph 301.

Mr. SMOOT. There is a small production.

Mr. BARKLEY. Only for experimental purposes.

Mr. SMOOT. Yes; only for experimental purposes.

Mr. McKELLAR. If the Senator from Georgia wants it done, I am not going to object.

Mr. GEORGE. At any rate, I am asking for unanimous consent to reconsider the action by which we disagreed with it; and then if, on consideration, the product should go on the free list, that is another question.

Mr. McKELLAR. I think it ought to go on the free list, but I do not object to reconsideration.

The VICE PRESIDENT. Is there objection to reconsideration? The Chair hears none, and the vote is reconsidered. The question now is upon agreeing to the amendment of the committee.

Mr. GEORGE. Now I should be very glad to know what the importations of this particular product are.

Mr. SMOOT. Only about five or six hundred tons a year, Mr. President, and only for experimental purposes.

Mr. McKELLAR. Where does it come from, Mr. President?

Mr. SMOOT. Entirely from Sweden.

Mr. WALSH of Massachusetts. Mr. President, will the Senator yield?

The VICE PRESIDENT. The Senator from Georgia has the floor.

Mr. GEORGE. I yield to the Senator from Massachusetts.

Mr. WALSH of Massachusetts. The House rate was 1½ cents per pound—the provision of the House bill?

Mr. SMOOT. The House rate is found in paragraph 305 at three-tenths of a cent per pound.

Mr. WALSH of Massachusetts. It is changed from 1 cent per pound to three-tenths of a cent per pound. What does that represent?

Mr. SMOOT. \$6.72 a ton.

Mr. WALSH of Massachusetts. So that the House rate was \$6.72 per ton?

Mr. SMOOT. Six dollars and seventy-two cents per ton.

Mr. WALSH of Massachusetts. On a commodity that is imported only for experimental purposes, and the Senate committee proposes to reduce that to \$2 per ton?

Mr. SMOOT. To \$2 per ton.

Mr. WALSH of Massachusetts. Why not put it on the free list?

Mr. SMOOT. They are experimenting with it right now; and there is some reason for believing, at least, that it can be produced in the United States.

Mr. WALSH of Massachusetts. What is the import value of this product per ton?

Mr. SMOOT. A little over \$30 per ton. That is the foreign value.

Mr. WALSH of Massachusetts. So the ad valorem rate is between 5 and 10 per cent?

Mr. SMOOT. A little less than 7 per cent.

Mr. GEORGE. Mr. President, I merely wish to make an inquiry. Very frankly, I do not think very much is to be gained by undertaking to hurry through a tariff bill like this; and I am going to take this occasion to say how I feel about it.

We were not asked to rewrite the tariff act. We were invited by the President to make a limited revision of the tariff act. Whether the House went beyond the recommendations of the President, whether the Senate Finance Committee went beyond the recommendations of the President, is not now a material question. The fact is that we did not undertake to rewrite the entire tariff act; so that we are taking the existing tariff act and we are simply entering in and out of paragraphs in it without any systematic consideration of the entire tariff scheme. Then when we come to consider it, because, forsooth, we are not making the progress that some desire to make, or we are not progressing in the direction in which we ought to go, according to the views of others, we are asked to hurry over these paragraphs. We are asked to take the work of the Finance Committee, so to speak, blindly; and those of us who did not sit on the Finance Committee, and those of us who did sit on that committee but who considered other schedules, are in the position here of hurrying over these schedules without any very due appreciation, I want to say—certainly I can speak for myself—of the significance of the action that we are taking in the Senate.

Mr. President, when this act shall have been finished the paragraphs in the bill that were not considered at all by the House or by the Senate Finance Committee, so far as changes in those paragraphs evidence consideration, may prove to be very much more important to the general industry of this country than many of the changes about which we are spending so much time in the debate.

I am not able to say whether this particular item ought to be carried to the free list or not. I should not be willing to vote to put it upon the free list merely upon the assumption

that the importations are relatively small, when we are assured that it is neither produced in the United States nor brought into the United States, except for experimental purposes. Just what the effect of those experiments may be upon the general iron and steel industry I do not know; and I, therefore, would not be willing to take this particular commodity entirely off the dutiable list without some additional information. But I certainly should prefer to vote for the very great reduction that the Senate Finance Committee has made in this schedule, knowing that there must have been some substantial reason why the very great reduction was made, rather than either to continue it under section 303 or let it fall, as it now falls, under the basket clause at a very much higher rate of duty.

Mr. President, without any very adequate or very accurate information as to just what domestic products or articles may be used in the process of experimentation that is going on with this product, and without any adequate information as to the probable effect of these experiments upon our other established industries, I think a very much wiser course is to accept the Senate Finance Committee's amendment in paragraph 301.

Mr. BARKLEY. Mr. President, let me inquire of the Senator from Georgia about that. Assuming that there is no domestic production, except for experimental purposes, which I understand is the case, and that even the 500 tons that are brought in are brought in for experimental purposes, I do not understand why there should be any tariff at all on the product. It is not very important; but if we accept this amendment now as a part of paragraph 301 will it not preclude us from changing it later if we should find that there ought not to be any duty whatever on the product?

Mr. GEORGE. As I understand, the matter would still be subject to amendment when the bill reached the Senate.

Mr. BARKLEY. I understand that the situation is that probably it was expected that this product would come in under the 75 cents per ton applicable to pig iron in the act of 1922; but some customs officer over in Baltimore or Philadelphia decided that it was a mineral, and should come in under paragraph 214, which carries a duty of 30 cents, equal to \$9 a ton. Certainly that duty ought not to be levied; and that matter is now in the Customs Court to be decided.

Mr. WALSH of Montana. Mr. President, I think it not at all surprising that the Senate should have acted as it did with respect to this particular item.

It is quite evident, from recent votes of the Senate, that the body as a whole does not approve generally of the work of the Finance Committee; and when this particular item was reached no one undertook to tell why the Senate committee put in this amendment. Under the circumstances, with no explanation by anybody as to why it was put in, what was the Senate to do except to reject the amendment?

Mr. President, I can not follow the argument of the Senator from Georgia that there being no production in this country, and no importation of any consequence, apparently, except for experimental purposes, or practically so, we ought to put a duty of \$2 a ton on this product. We really do not need a revenue duty upon this particular item. I take it that under the circumstances before us, before a duty is imposed upon any particular article there ought to be some reason why it should be so imposed; otherwise, it should go on the free list. I take it that scarcely any supporter of this measure here is supporting it as a revenue measure. It is being urged as a protection measure; and I do not agree to the idea that every article ought to be presumed to be dutiable. I think it ought to be presumed to come in free unless some showing is made as to why it should be made dutiable, and what the rate of duty ought to be.

Apparently, Mr. President, no showing is made of the necessity of a duty for the purpose of protection with respect to this particular item. Accordingly, I hope that the action taken by the Senate heretofore will stand.

The PRESIDING OFFICER (Mr. JONES in the chair). The question is on the adoption of the committee amendment.

The amendment was rejected.

The reading of the bill was resumed.

The next amendment of the Committee on Finance was, on page 56, after line 21, to strike out:

PAR. 302. (a) Manganese ore or concentrates containing in excess of 30 per cent of metallic manganese, 1 cent per pound on the metallic manganese contained therein.

Mr. ODDIE. Mr. President, I send to the desk an amendment which I ask to have substituted for the committee amendment.

The PRESIDING OFFICER. The Senator from Nevada offers an amendment in the nature of a substitute, which will be stated.

The CHIEF CLERK. It is proposed to strike out all of paragraph 302 (a) and to insert in lieu thereof the following:

PAR. 302. (a) Manganese ore or concentrates of all kinds, containing less than 10 per cent of metallic manganese, shall be admitted free of duty; containing 10 per cent or more of metallic manganese and less than 20 per cent, one-half of 1 cent per pound on the metallic manganese contained therein; containing 20 per cent or more of metallic manganese and less than 25 per cent, 1 cent per pound on the metallic manganese contained therein; containing 25 per cent of metallic manganese, or more, 1½ cents per pound on the metallic manganese contained therein.

Mr. ODDIE obtained the floor.

Mr. NORRIS. Mr. President, will the Senator permit me to ask a question, so that we may get the parliamentary situation before us?

Mr. ODDIE. I yield.

Mr. NORRIS. Does the committee amendment end after the word "manganese" on line 23, or does it include entirely paragraph 302?

The PRESIDING OFFICER. The entire paragraph 302.

Mr. NORRIS. The clerk did not read it all.

The PRESIDING OFFICER. The entire paragraph is stricken out by the committee amendment.

Mr. SMOOT. Oh, no, Mr. President!

Mr. NORRIS. That is what I want to find out. The chairman of the committee says not.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. The committee proposes to strike out the following:

PAR. 302. (a) Manganese ore or concentrates containing in excess of 30 per cent of metallic manganese, 1 cent per pound on the metallic manganese contained therein.

The PRESIDING OFFICER. That is all of paragraph 302 as originally in the bill.

Mr. SMOOT. That is subparagraph (a) of paragraph 302. There is paragraph (a), striking out (b), and then it goes on to (c).

The PRESIDING OFFICER. That is correct. The Chair was mistaken in not observing paragraph (a).

Mr. ODDIE. Mr. President, I have a statement to submit on this question. I should like the privilege of completing my statement, which I will make as brief as possible, without interruption. After that, I shall be glad to answer any questions.

EXPATRIATED AMERICAN CAPITAL

In the formulation of a tariff bill the influence of expatriated American capital has come to be an important factor which should be given careful consideration. Exclusive of war loans made to foreign countries by the United States, the foreign investment of American capital at the end of 1928 amounted to fifteen and six-tenths billions of dollars, an increase of about thirteen billions over the 1913 pre-war investment total of two and six-tenths billions.

Of the total investment of American capital in foreign countries, Europe has received four and eight-tenths billions of dollars; Canada, four and one-tenth billions; South America, two and five-tenths billions; Central America (including Cuba, Mexico, and the West Indies), three billions; Australia, Japan, and China, eight-tenths of a billion; and miscellaneous, four-tenths of a billion dollars.

The amount of American capital invested abroad in 1928 broke all records with a grand total of two and one-tenth billions of dollars. And if the Congress were now to materially reduce the tariff rates there is no doubt but what the investment of American capital abroad would greatly increase.

An avalanche of opposition to the present tariff bill has been submitted in communications from 37 foreign countries and published in part 4 of the hearings before the Finance Committee, which is ample evidence of the influence of foreign and expatriated American capital. There is hardly an item in the present bill to which exception has not been made. The investment of American capital in foreign countries in itself may be made very helpful to the United States in numerous ways, but when it is employed in an attempt to undermine the prosperity of American agriculture, of American industry, and to lower the standards of living of the American workingman, I must make an emphatic protest.

The Senate Committee on Finance has knowledge of 200 manufacturing establishments in foreign countries which are financed and controlled by Americans who made their money in this country under the protective tariff and that these concerns are now urging tariff reduction in order that they can flood the domestic market with cheap foreign labor products.

Hides and manganese are two products among numbers of others which serve to demonstrate the influence of expatriated American capital on the determination of rates in the present tariff bill. There are communications from a number of countries, including Argentina, which have been filed with the Finance Committee, opposing a duty on hides. It is generally well known that American packing interests have a heavy investment in the packing industry of the Argentine. It is reported that W. A. Harriman and the Bethlehem Steel Co., or officials of the Bethlehem Steel Co., have an investment in manganese mines in Soviet Russia.

For some time the Bethlehem Steel Co. has been supplying its own manganese needs and the needs of other steel companies from the Soviet deposits, and during the deliberations of the Senate Committee on Finance a contract of the United States Steel Corporation with the Soviet Government for a 5-year manganese supply of from 80,000 to 150,000 tons annually was announced. The United States Steel Corporation has for a number of years owned a manganese deposit in Brazil from which it has received its principal supply.

These expatriated American interests have come before Congress and have urged that hides and manganese ore and other items be retained on or restored to the free list, and their appeals should be the strongest arguments in favor of duties on these items adequately to protect American producers and American labor.

INCONSISTENCY AND INJUSTICE OF STEEL INDUSTRY

I very strongly condemn the actions of the steel industry and the Bethlehem Steel Co. in presenting testimony and filing a brief to restore manganese ore to the free list.

The steel industry has grown and prospered largely because of the liberal tariff provided on steel products, and I rejoice in its prosperity and wish it more. It now comes before Congress with a plaintive appeal for free manganese ore. The Bethlehem Steel Co. on October 24, 1929, announced that its net profits in the quarter ended September 30 were \$11,384,720, after interest, Federal taxes, depletion, and depreciation were deducted. Grown to a position of unparalleled strength financially on the protective tariff, the steel industry denies the infant manganese industry the right to adequate protection. These heavy earnings make it still more difficult to understand the plaintive appeal of poverty made before the committees of Congress to restore manganese ore to the free list.

There is no question but that the manganese industry, in its present early stages of development, must receive the additional protection provided for in my amendment. The steel industry violates every element of American justice and equity when it comes before the Congress and urges free manganese so that it can buy the product of the cheap labor of foreign countries to the detriment of the growing domestic manganese industry and the larger employment of American labor. Steel witnesses appeared before the Finance Committee and said, "What has the manganese industry done under the Fordney-McCumber Act with 1-cent duty per pound on manganese contained in ores running 30 per cent manganese or over?" The industry, it says, is only producing about 5 per cent of the total national requirements, from which the steel witnesses would draw the conclusion that there are no manganese ore reserves in the United States and no commercial processes for beneficiating low-grade ores.

INADEQUACY OF PRESENT DUTY AND BOYCOTT

In 1922, when the Fordney-McCumber Act was being formulated, many of the producers felt that 1 cent would be insufficient protection and so it has proved to be. At that time the industry was just reorganizing on the basis of the deposits hastily opened to satisfy the national needs during the war and costs of production could not then be accurately determined. Furthermore, the United States Steel Corporation, with its deposit in Brazil, and the Bethlehem Steel Co., with its Soviet deposit contract, were largely supplied from these sources, and the Bethlehem Steel Co. has generally declined to buy domestic ore. As evidence that the Bethlehem Steel Co. declined to purchase domestic ore, a letter by that company dated March 17, 1926, addressed to the Hy-Grade Manganese Co. (Inc.), at Woodstock, Va., reads as follows:

BETHLEHEM, PA., March 17, 1926.

HY-GRADE MANGANESE CO. (INC.),
Woodstock, Va.

GENTLEMEN: Answering your letter of March 11, we are fully covered on manganese ore for the current year, and are, therefore, unable to consider at this time the purchase of your product.

Yours very truly,

BETHLEHEM STEEL CO. (INC.),
CHAS. R. HOLTON,
Purchasing Agent.

This letter appears in the testimony of Mr. J. Carson Adkerson, before the Senate Committee on Finance, on page 153 of the published report.

In reference to this letter, Senator EDGE made the following inquiry:

You would not say that that letter from the Bethlehem Steel Co. signified that there was no market for ore?

To which Mr. J. Carson Adkerson, the president of the American Manganese Producers' Association, made the following reply:

There was not a market for us in several instances, and we are prepared to show you that practically the same information has gone forward to every other producer, and we do not know where the Bethlehem Steel Co. has bought any domestic ore.

The steel industry, furthermore, according to the Summary of Tariff Information, published by the Tariff Commission, paid an average of 68 cents per unit delivered Pittsburgh, on imported ore from 1922 to December, 1928, or 8 cents more than the highest price paid for similar grade domestic ore during that same period. The extent of this boycott on American manganese is indicated by the fact that the United States Steel Corporation and the Bethlehem Steel Co. together consume approximately 80 per cent of the total domestic consumption, and in addition the Bethlehem Steel Co. supplies a large number of the independent steel manufacturers with an additional 10 per cent, which increases the control of these two companies to approximately 90 per cent of the total manganese consumed in the United States. In effect, this boycott deprived American producers of their rightful share of the home market.

Nothing could demonstrate the selfishness of this mammoth industry more than their present tariff policy on manganese ore and nothing could be more inimical to the public interest and welfare.

STEEL PRODUCTS THE RAW MATERIALS OF OTHER INDUSTRIES

Manganese ore and manganese concentrates are the finished products, respectively, of the miner and the millman and can not, to the manganese industry, be regarded as raw materials. To the tanner hides are raw material, but to the cattle grower the finished product. To the flour miller wheat is raw material, but to the farmer the finished product. If the demand of the steel industry to restore all raw materials which that industry consumed to the free list were to be carried out in the formulation of a tariff bill, all duties on the products of the steel industry would have to be removed, as these products can be construed only as the raw materials of the automobile, building, and other fabricating and manufacturing industries.

COST OF STEEL DUTIES ONE HUNDRED TIMES GREATER THAN MANGANESE

In the highly protective market which the steel industry enjoys, any duty on manganese is substantially passed on to the ultimate consumer and is not borne directly by the steel industry. This becomes more obvious when a comparison is made between the duties on steel products and the manganese duty. The estimated cost of the present duty on manganese, 1 cent per pound, amounts to under 16 cents per gross ton of steel, and at 1½ cents per pound, the rate provided for in my amendment, the cost per gross ton of steel would be less than 24 cents. Since almost all steel sells for more than \$40 a ton, the manganese duty is a relatively trifling factor in the price of steel; and by the time the steel is fabricated and sold to the ultimate consumer it becomes absolutely negligible. Theoretically, the duty proposed in my amendment would add scarcely 15 cents to the cost of the average automobile. This small sum compares with import duties on steel products ranging from a minimum of \$4.48 on plain structural shapes to \$22.40 on tin plate and \$75 and upward a gross ton on sundry special kinds of steel.

The steel industry has estimated the cost of the duty on manganese ore since 1922 at approximately \$45,000,000. This assumes that the domestic price has been increased by the amount of duty assessed. On the same basis, it is estimated that the duties on crude and semifinished steel only, have added to the cost of these products from 1922 to 1928, inclusive, an amount in excess of four and one-quarter billions, or approximately one hundred times as great as the cost of the duty on manganese ore. I want it distinctly understood that I favor adequate protection on these steel products. It is also estimated that the duties collected on imports of crude and semifinished steel for the years 1922 to 1928, inclusive, amounted to six and eight-tenths millions of dollars, which is approximately the same as the amount of duty collected on imports of manganese ore for the year 1928 alone. This indicates that the duties on crude and semifinished steel products are so high as practically to exclude imports so that the revenue derived from the imports of steel is no more than one-sixth of the amount de-

rived from the duty on manganese ore. To restore manganese ore to the free list would eliminate this source of revenue altogether, and under the high protective conditions afforded the steel industry the duty on manganese is justified on the basis of revenue alone. If the steel industry desires to obtain manganese ore from foreign sources of supply under these relative conditions of protection for the manganese versus the steel industry, it should not complain over the payment of the duty provided for in my amendment of 1½ cents per pound.

I submit for publication in the RECORD at this point the following table presenting revenues of the steel duty and the cost to the American public on crude and semifinished steel only from 1922 to 1928, inclusive.

The PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Imports and production of crude and finished steel in the United States and cost to American public of duties on crude and semifinished steel products

Year	Imports of crude and semifinished steel ¹	Duties collected on imports of crude and semifinished steel ¹		Domestic production of steel ingots and castings	Cost to American public of duties on crude and semifinished steel ²
	Gross tons	Total	Per ton imported	Gross tons	Duties
1922.....	11,703	\$198,102	\$17.00	³ 8,900,731	\$151,312,427
1923.....	23,991	641,295	26.73	44,943,696	1,101,344,994
1924.....	38,841	744,443	19.16	37,936,939	726,775,951
1925.....	85,756	1,161,035	13.55	45,393,524	615,082,250
1926.....	136,606	1,487,576	10.89	48,293,763	525,919,079
1927.....	110,573	1,299,014	11.75	44,935,185	527,988,420
1928.....	110,011	1,290,975	11.73	⁴ 51,544,180	604,613,231
Total.....	517,481	6,822,440	\$ 15.08	281,943,018	4,253,036,352

¹ Imports under paragraph 304 as shown in Summary of Tariff Information, 1929, p. 631.

² Domestic production in tons multiplied by average duty collected per ton on imported crude and semifinished steel.

³ Production, from Sept. 22, 1922, to Jan. 1, 1923, estimated on a basis of one-fourth of year's total production.

⁴ Latest revised figures for 1928.

⁵ Average cost to American consumers (total cost divided by total tons produced).

DOMESTIC INDUSTRY CHEAPEST SOURCE OF MANGANESE SULPHATE

Mr. ODDIE. Mr. President, the present cost of manganese in the form of manganese sulphate is almost prohibitive for its general use in agriculture. If it comes as a by-product or as a waste product from the current operations of the domestic manganese industry, it could be made available at the lowest possible price.

To illustrate, there is a deposit in Georgia owned by the Georgia Manganese & Iron Co., which will use a process of water concentration in order to prepare a high-grade concentrate for the use of the metallurgical trade. The tailings products of this process contain from 3½ to 4½ per cent of manganese. If the market were confined to the high-grade concentrates alone, these tailings products would be wasted. But in view of the agricultural demand for cheap manganese sulphate the manganese can be easily removed by leaching with sulphuric acid. For many years copper has profitably been recovered by a leaching process from ores containing less than 2 per cent of copper, and therefore the cost of recovering manganese from tailings which carry more than 3 per cent of manganese would also be low and the operation profitable.

Dr. Oswald Schreiner, chief, Division of Soils, Department of Agriculture, in his address before the Second Annual Convention of the American Manganese Producers' Association, September 9, 1929, stated that this product does not have to be extremely pure, and, consequently, it would be unnecessary to go to the expense of eliminating minor impurities. Under such conditions proved manganese sulphate as a by-product can be produced at the least possible cost.

There are manganese deposits in 34 States, many of which will come into operation soon after the enactment of a tariff bill carrying the provisions of my amendment. This means that cheap manganese sulphate would be available at a large number of points in the United States and easily accessible to the farmers without heavy transportation cost from the manganese plant to the farm. If the manganese industry is put completely out of business by restoring manganese ore to the free list, the agricultural industry would have to bear not only the additional cost on the imported product plus such duty as might be applied, but, in addition, would have to pay the long-distance transportation cost from the seaboard to the interior.

It is estimated that manganese sulphate can be supplied to the farmer by the domestic manganese industry if permitted to develop under the provisions of my amendment, at less than 3 cents per pound. According to Doctor Schreiner the present cost to Florida farmers is from 8 to 10 cents per pound. The mine in Georgia, to which reference has been made, is the closest source of supply to the State of Florida, as Florida contains no manganese deposits.

In view of the fact that approximately 50 pounds per acre is the amount used, Florida can obtain its manganese sulphate from the Georgia deposit at less than \$1.50 per acre as compared to the cost under the present duty of from \$3 to \$4 per acre. So low would be the cost of supplying the agricultural industry with manganese sulphate derived from its otherwise waste product that it would not be many years, under the stimulus of the provisions of my amendment, before a duty on manganese sulphate would be altogether unnecessary. And, conversely, if the manganese industry were to be destroyed by restoring manganese to the free list, there obviously would be no tailings or waste products to be converted into cheap manganese sulphate for the use of the farmers. The farmers' interests can be served best by the greatest development of the domestic industry, thereby reducing transportation costs on this important fertilizer product to the minimum, and to accomplish this the protection afforded in my amendment will be necessary.

In making available an adequate supply of manganese sulphate to the agricultural industry at the lowest possible cost, the protection afforded in my amendment is justified without considering the needs of the steel industry. President Hoover, in his message to Congress, urged tariff readjustment to assist the agricultural industry, and therefore my amendment to increase the duty on manganese ores for the purpose of developing a domestic manganese industry should be considered a part of the program of tariff readjustment and regarded as an administration measure.

COMMITTEE ACTION FAVORS STEEL TO DETRIMENT OF AGRICULTURAL INDUSTRY

In view of the fact that this tariff bill is now being formulated presumably in the interests of agricultural industry, it is surprising to note that when the majority members of the Committee on Finance voted 6 to 5 in favor of restoring manganese ore to the free list that they failed to reduce the duty on manganese sulphate, which is the product directly consumed by the agricultural industry. This product now carries a duty of 25 per cent ad valorem. To be consistent, the Committee on Finance should have made a compensatory reduction in the duty on manganese sulphate. Without such a compensatory reduction, it is apparent that the recommendations of the committee favor the steel industry to the detriment of the agricultural industry.

EQUITABLE DOWNWARD READJUSTMENT ON MANGANESE SULPHATE DUTY

Should my amendment be enacted the agricultural industry will be assured of a satisfactory supply of manganese sulphate at low prices without reducing the present duty of 25 per cent ad valorem. During the period of transition until the domestic manganese industry is well equipped to supply manganese sulphate in sufficient quantity, the present duty should remain in effect to be reduced on the recommendation of the Tariff Commission as soon as conditions would permit. This method of downward adjustment is fair and equitable to the farmer and one that should satisfy the administration's policy of relief for the agricultural industry.

IMPORTANCE OF MANGANESE AS A FERTILIZER

The present market for manganese is largely in the manufacture of steel, but experiments which have been conducted by the Department of Agriculture and the agricultural extension services in Kentucky and North Carolina have demonstrated that manganese sulphate is a most essential fertilizer.

In a letter addressed to the Second Annual Convention of the American Manganese Producers' Association, dated September 4, 1929, and read to the convention on September 9, 1929, the Hon. Arthur M. Hyde, Secretary of Agriculture, emphasizes the importance of manganese to the agricultural industry. I should like to place in the RECORD, without reading, Secretary Hyde's letter.

The PRESIDING OFFICER. Without objection, it is so ordered.

The letter is as follows:

DEPARTMENT OF AGRICULTURE,
Washington, September 4, 1929.

AMERICAN MANGANESE PRODUCERS' ASSOCIATION,
Metropolitan Bank Building, Washington, D. C.

GENTLEMEN: The use of manganese in agriculture has recently increased as the result of the practical demonstrations made by the

Department of Agriculture on certain Florida soils. Department scientists have been experimenting for many years on the influence which small amounts of manganese in soil and fertilizers have on plant growth and crop yield. This research has now progressed to the point where application of the scientific work is resulting in very material gains to commercial tomato growers in southern Florida.

The scientists have shown that while the amount of manganese necessary is quite small, nevertheless it is one of the mineral elements essential to plant growth. In many soils this element is present in sufficient quantity for crop production, but apparently in some soils it becomes the limiting element and its deficiency is the cause of serious disturbances to normal plant development. The use of manganese on such soils is doubtless a matter of interest to you as producers, as well as to the farmer, and I am therefore deeply interested in the fact that you are including this subject in your deliberations.

The department has been studying the influence of a number of uncommon or rare elements, including manganese, on plant growth and crop production, and the importance of the matter appears to warrant extension of these investigations to other soil regions of the country. Your cooperation in this research, which may ultimately lead to the utilization of some of your waste materials, is therefore greatly appreciated.

Wishing you a most successful meeting and regretting my inability to be with you, I am

Sincerely yours,

ARTHUR M. HYDE, *Secretary.*

Mr. ODDIE. Dr. Oswald Schreiner, chief of division of soil fertility of the Department of Agriculture, presented to the Second Annual Convention of the American Manganese Producers' Association on September 9, 1929, an illustrated address showing the beneficial use of manganese sulphate as a fertilizer. I herewith submit for publication in the RECORD at this point a brief review of Doctor Schreiner's address as released for the press by the Department of Agriculture.

The PRESIDING OFFICER. Without objection, it is so ordered.

The address is as follows:

ADDRESS OF DR. OSWALD SCHREINER, CHIEF, DIVISION OF SOIL FERTILITY, BUREAU OF CHEMISTRY AND SOILS, UNITED STATES DEPARTMENT OF AGRICULTURE—SECOND ANNUAL CONVENTION AMERICAN MANGANESE PRODUCERS' ASSOCIATION, WASHINGTON, D. C., SEPTEMBER 9, 1929

THE USE OF MANGANESE IN AGRICULTURE

The use of manganese in agriculture has been increased in the last few years as the result of some practical demonstrations with tomatoes and other truck crops in southern Florida. These demonstrations were based on research work by scientists of the Department of Agriculture which have been conducted over a period of years and tended to show that manganese was essential to plant growth, for without it plants showed abnormal symptoms, analogous to disease conditions.

As manganese is widely distributed throughout the United States most soils contain sufficient for profitable crop production, but in certain sections where manganese is rare in rocks and soils, or where conditions are such that the manganese is unavailable to plants, serious difficulties are experienced.

A bad case in point is a region in southern Florida where the soil consists largely of calcium carbonate with manganese practically absent. A chlorotic condition of the foliage of the plants showed itself in white spots on the leaf's surface with ultimate death of the plant. It was found that this difficulty could not be remedied with liberal applications of the ordinary fertilizer salts, and for many years it was considered impossible to grow many of the vegetables on these lands. They were practically devoted to the growing of tomatoes with the use of liberal amounts of manure imported from other sections of the United States.

The scientists discovered the absence of manganese salts and also showed that the principal value of the manure lay not so much in its fertilizer constituents as in the fact that it contained the necessary manganese in available form for the plants grown on these deficient soils. Experiments with the use of small quantities of manganese (50 pounds of manganese sulphate per acre) remedied this difficulty entirely and produced vigorous plants, deep green in color, with luxuriant blossoming and greatly increased crop production, while without manganese many plants faded and died and the crop yield was tremendously reduced.

A number of large-scale experiments were conducted with growers using 1-acre plots to determine the effect of manganese sulphate. In these tests the cooperating farmers used and applied the material, some mixed it with the commercial fertilizers, others applied it as a separate application. All of these experiments showed a substantial increase resulting from the use of this salt. As a result of this manganese sulphate is now used throughout this region in the successful growing of vegetable crops.

Similar results have been obtained in other sections of the country and the importance of extending this experimental work to soil regions where crop difficulties are experienced is evident. Recent experiments

have also shown that small quantities of other of the rarer elements are of tremendous importance in crop production and that in the modern use of fertilizers, especially in connection with the newly introduced pure chemical fertilizer salts, this fact must be taken into consideration.

DEMAND FOR MANGANESE AS FERTILIZER INCREASING

Mr. ODDIE. At the conclusion of Doctor Schreiner's address certain questions were asked concerning the use of manganese sulphate as a fertilizer and its importance to the agricultural industry, which indicate that the consumption of this product will greatly expand as the value of it as a fertilizer becomes better known to the farmers of the country. Some of the most important questions and Doctor Schreiner's replies were as follows:

Question. I should like to inquire what the cost of manganese sulphate to the farmers in Florida is at the present time?

Doctor SCHREINER. I am informed that the cost of manganese sulphate is between 8 and 10 cents per pound.

Question. Careful estimates have been made by several of the manganese producers in this country of the cost of beneficiating the end or waste product in the form of manganese sulphate for the use of the agricultural industry. These estimates indicate that a product can be supplied at a fraction of the price which you have stated. Would not manganese sulphate at this much lower price encourage its more extensive use in agriculture?

Doctor SCHREINER. There is no question but what the present price restricts its use and that a lower price would result in a much larger consumption. It should be borne in mind in this connection that the product does not have to be chemically pure, and this fact may be taken advantage of by the producers of manganese in lowering the price to the lowest possible figure.

Question. I understand that one of the largest fertilizer companies is using manganese sulphate as a component of its stock fertilizer, and that excellent results have been obtained, which have increased materially the sales of this company. This would seem to indicate that manganese sulphate is being widely distributed with excellent results.

Doctor SCHREINER. There is not only one but several of the principal fertilizer companies that are using manganese sulphate as a constituent.

Question. You have indicated, Doctor Schreiner, in the course of your address that plant growth absorbs the manganese from the soil. Are there not, in your judgment, vast areas of soil which have been farmed continuously many years which may have become impoverished in manganese and that are now in need of manganese rejuvenation?

Doctor SCHREINER. We have not extended our research along the lines which you suggest, but it would seem altogether probable that when we do, such conditions will be found to prevail, at least in some localities.

Question. As you know, Doctor Schreiner, we are spending millions of dollars annually in insect control research, with the object of reducing so far as possible crop losses due to insect destruction. The main purpose of this work would seem to be to conserve the nation's food supply, and I am prompted to inquire whether that food supply could not also be conserved by the more extensive use of fertilizer to increase acreage production.

Doctor SCHREINER. Of course, we hear a great deal in these days concerning crop surpluses, but there are many crops of which we do not produce a surplus, and in the main, the increased use of fertilizer would not only accomplish the result which you have pointed out but undoubtedly would increase the profits to the farmer, which after all is fundamentally necessary to insure continued and satisfactory production.

At a recent meeting of the American Chemical Society held in Minneapolis, Prof. J. S. McHargue, acting head of the department of chemistry, experiment station, University of Kentucky, and O. M. Shedd of the same institution, presented a paper entitled "The Effect of Manganese, Copper, Zinc, Boron, and Arsenic on the Growth of Oats" which contains a great deal of information indicating the importance of manganese in increasing the yield of oats. At the same meeting of the American Chemical Society, Mr. L. G. Willis, soil chemist of the North Carolina State College of Agriculture and Engineering, together with H. B. Mann, soil agronomist of the same institution, presented an excellent paper on Manganese as a Fertilizer for South Atlantic Coastal Plain Soils, which emphasizes the importance of manganese as a fertilizer and confirms in a general way the results obtained by the United States Department of Agriculture. Both of these papers will be published in the proceedings of the American Chemical Society.

At the rate of 50 pounds of manganese sulphate to the acre, 40 acres would consume 1 ton. Doctor Schreiner states that a large number of the fertilizer companies are now using manganese sulphate as stock fertilizer. It obviously will not be long before the amount of manganese sulphate consumed nationally will develop a very heavy tonnage. It is not improbable that the consumption of manganese and manganese sulphate will in the course of 8 to 10 years exceed the amount of manganese consumed in the manufacture of steel. It therefore becomes very important to consider this by-product or waste product

of the manganese industry in formulating a tariff bill which presumably is expected to aid the agricultural industry.

MANGANESE ESSENTIAL TO NATIONAL DEFENSE

During the World War this country was seriously handicapped in obtaining necessary fertilizers because of their foreign and distant origins.

From the evidence already made available by the Department of Agriculture manganese sulphate is destined to become one of the most important of fertilizers, and the increased crop yields due to its use would become even more necessary during a period of war when this country would require the largest crop yields for its national defense. If manganese ore were to be restored to the free list, as recommended by the Committee on Finance, the domestic manganese industry would be completely shut down and the American farmer would be compelled to buy at the current high prices manganese sulphate predicated upon ores derived from foreign countries, and in time of war this supply would, in all probability, be seriously limited if not altogether cut off. At the present time more manganese ore is being imported from Soviet Russia than from any other country, and it would seem obvious that this country should not be so greatly dependent upon Soviet Russia or any other foreign country for its manganese supply. Referring solely to the manufacture of steel, the safety of the country in time of war requires an adequate domestic production of manganese, according to a letter by the Hon. Hanford MacNider, formerly head of the American Legion and Assistant Secretary of War, addressed to Mr. J. Carson Adkerson, dated October 3, 1927, which is as follows:

WAR DEPARTMENT,

Washington, D. C., October 3, 1927.

Mr. J. CARSON ADKERSON,

Hy-Grade Manganese Co. (Inc.), Woodstock, Va.

MY DEAR MR. ADKERSON: Your work in the development of an adequate supply of manganese ore to meet the industrial needs of the United States has been brought to my attention. Your activities along this line are rendering valuable service in the solution of your problems of industrial preparedness, and I wish to express my appreciation of the work that you are doing.

It appears that manganese is essential to the production of steel, and without steel national defense is obviously impossible. The safety of the country requires that we have a readily available source of manganese within the United States. Those who are working to meet this requirement have my best wishes for success.

Sincerely yours,

HANFORD MACNIDER,

The Assistant Secretary of War.

In addition to the importance of making the United States independent in time of war from foreign countries for manganese in the manufacture of steel, it also becomes a matter of first importance in maintaining the Nation's food supply.

MANGANESE AN IMPORTANT BOULDER DAM FACTOR

There are important deposits of manganese ores in Mohave County, Ariz., and in Clark County, Nev., which are under consideration for development in connection with the cheap power that will be made available at Boulder Dam. Appearing before the Subcommittee on Finance, E. S. Clark, representing the Chapin Exploration Co., of Chicago, Ill., testified in connection with these deposits, and I quote from pages 172 and 173 of the committee hearings, as follows:

It was considered wise, if we could find anything within a reasonable radius of the new dam that is proposed to be built in Boulder Canyon, to locate as nearly as possible to the site of that. So we confined our attention for a while to certain manganese deposits in Mohave County, Ariz., and in Clark County, Nev.

As a result of the reports of our engineers, who have been engaged for some months there in exploration and research work, there is indicated a tonnage exceeding 60,000,000 tons of ore that will, to be conservative, run around 10 per cent. A great deal of it will run 30 per cent, but the average will be fully 10 per cent.

It is supposed that we will be able to reduce that very economically. We have tested it out under the Bradley process, and through the Dings magnetic separation process, of Milwaukee, and it lends itself readily to either one. It could be handled very cheaply and mined very cheaply.

The development of these deposits would be completely out of the question if manganese ore were to be restored to the free list. Even with the cheap power available at Boulder Dam these deposits could not possibly be operated at a profit. However, with the additional duty provided for in my amendment, the development of these deposits is assured on a considerable scale.

Because of the process of magnetic separation which may be employed it is estimated that a large amount of Boulder Dam power will be consumed in the treatment of manganese ores. It becomes important, therefore, that my amendment should be enacted in order to permit this development to take place, especially in view of the fact that the more of that power that can be consumed at the dam site, the greater will be the success of that great enterprise.

In locating an ammunition depot at Hawthorne, Nev., the Navy Department considered the location far enough away from the sea coast to be safe from enemy attack from the sea. The production of manganese in Mohave County, Ariz., and in Clark County, Nev., would likewise be amply safeguarded from enemy attack and this is an extremely important factor, as manganese is one of the most important of the war essential metals.

DOMESTIC MANGANESE PRODUCTION, INCREASING

In 1928 the production of manganese ore in the United States reduced to an average 50 per cent grade amounted to 45,000 tons. J. Carson Adkerson, president of the American Manganese Producers' Association, on October 25 supplied me with a list of principal domestic manganese producers together with an estimate of aggregate positive and possible production for the years 1929 and 1930 which I desire to insert in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The table referred to is as follows:

Estimated production of manganese ore in the United States for the years 1929 and 1930¹

(Subject to adequate tariff protection, Oddie amendment)
HIGH GRADE (ACCEPTABLE FOR USE IN STEEL INDUSTRY)

Producer	Location	Estimated actual production 1929, tons	Estimated possible production 1930, tons	Analysis (per cent metallic manganese)
Arkansas Manganese Co.	Operations, Arkansas.	250		
Bradley Fitch Co., plant.	Minnesota.			
Walter H. Denison.	Cushman, Ark.	2,800	5,000	50.0
Domestic Manganese & Development Co. (Anaconda Copper Mining Co.).	Butte, Mont.	43,000	72,000	55.8
Georgia Manganese & Iron Co. (Brunswick Term. & Rwy. Sec. Co.).	White, Ga.	20,000	120,000	45.0
W. H. Harrison.	Virginia and Tennessee, southwest.		2,500	42.6
Hy-Grade Manganese Products & Sales Corporation.	Woodstock, Va.	1,000	30,000	46.0
Lava Manganese Co.	Lava, Idaho.			
Manganese Mines Co. of America.	Denver, Colo.		10,000	
Manganese Valley Mines.	Deming, N. Mex.	2,000	2,000	45.8
Moorlight Mining Co.	Phillipsburg, Mont.	3,000	5,000	45.0
A. B. Reither.	Cushman, Ark.	550	5,000	47.6
Silver Prince Mining Co.	Phillipsburg, Mont.		2,000	43.0
Stange Mines.	Crandon, Va.	2,000	5,000	44.6
Trout Mining Co.	Phillipsburg, Mont.	5,000	20,000	45.0
U. & S. Mining & Development Co.	do.			45.0
Virginia Manganese & Mining Co.	Crandon, Va.	1,200	1,200	45.0
Total.		80,800	279,700	

LOW GRADE 5 TO 35 PER CENT MANGANESE (MANGANIFEROUS, FERRUGINOUS, ETC.)

Arkansas.	Under 50 per cent metallic manganese.	15,000	25,000
Silver Spot Mines.	New Mexico.	75,000	75,000
Various operations.	Minnesota.	1,000,000	1,000,000
Miscellaneous mines.	Scattered.	310,000	310,000
Total.		1,400,000	1,410,000

¹ Estimate compiled and computed by J. Carson Adkerson, president American Manganese Producers' Association, Oct. 25, 1929.

Mr. ODDIE. The production estimates presented in this table show that in 1929, provided that the rates of production for the months of November and December are maintained at the current rate, will amount to from 80,000 to 90,000 tons reduced to an average of 50 per cent ore, and for 1930, provided that my amendment is adopted, to a minimum of 200,000 tons, which is approximately 25 per cent of the domestic consumption. These estimates refute the claims of representatives of the steel industry before the Finance Committee that the manganese industry did not have sufficient reserves and capacity to produce a substantial percentage of the amount of the domestic consumption. If my amendment is adopted, it will be only a few years until a large percentage of the consumption can be supplied from domestic sources.

FREE MANGANESE ORE A NATIONAL LIABILITY

Largely encouraged by the protection afforded in the tariff act of 1922, it is estimated that over \$20,000,000 have been invested in developing manganese deposits in the United States and in perfecting processes for beneficiating lower grade ores. To restore manganese ore now to the free list would force the industry to shut down, and this large sum of money which has been invested in the industry would be wasted and the losses would fall very heavily on a large number of small producers with great hardship. In having encouraged the investment of a great part of this large sum of money in the manganese industry by making available the protection of the tariff act of 1922, it would be most unfair and inequitable for Congress now to restore manganese ore to the free list. In addition to this amount which has already been invested in the industry there are other millions about to invest, and unless my amendment is adopted these millions will seek investment elsewhere. Based upon exploration work already done and on carefully prepared plans for the erection of concentrating plants, a large investment will be made which will substantially increase the output of ore of commercial grade and make available manganese sulphate at the lowest possible price for the use of the farmer, provided that the protection afforded in my amendment is made available.

In the transition stage until now the manganese industry of the United States is on the threshold of a period of great growth and in a few years should become in itself an important and going industry of the United States. To stop this growth would be a national liability, to promote it a national asset of permanent value in times of peace and an indispensable factor of national defense in times of war.

ORES CONTAINING LESS THAN 30 PER CENT MANGANESE NOW ON FREE LIST

Under the tariff act of 1922, ores containing less than 30 per cent of manganese were left on the free list. It was not anticipated in 1922 that it would become profitable or possible to import ores of less than 30 per cent, but in 1928 over 100,000 tons of such ore were imported into the United States, thereby escaping the payment of duty. During the hearings before the Subcommittee on Finance on manganese, reference was made to the Tariff Commission's volume of information, which presents a figure of 10,000 tons for the amount of ore of less than 30 per cent imported into the United States in 1928. This figure, however, was corrected by one of the experts of the Tariff Commission, who stated that more recent information had brought the figure up to well over 100,000 tons. If the 1922 schedule were to be continued, there is no question but what the imports of ore containing less than 30 per cent would increase heavily from year to year, escaping the payment of duty and replacing the market for higher-grade ores and concentrates. It would make little difference how much of a duty were to be provided on ores containing more than 30 per cent if those containing less than that amount were permitted to enter free of duty. Consequently the first part of my amendment provides for the extension of duties to cover ores containing as low as 10 per cent, and the rates provided in my amendment are one-half cent per pound of manganese in ores containing from 10 per cent to 20 per cent of manganese and 1 cent per pound on ores containing from 20 per cent to 25 per cent of manganese. Careful foreign cost computations have been made and the American Manganese Producers' Association is satisfied that these rates will prove effective in protecting the domestic market from the importation of ores containing less than 25 per cent of manganese.

The majority members of the Finance Committee originally voted 7 to 4 in favor of extending a 1-cent duty to ores containing 10 per cent or over, thereby supporting the first part of my amendment, and I can not believe that the later vote of 6 to 5 in favor of restoring manganese ores to the free list was predicated upon any economic basis.

The second part of my amendment increases the present duty from 1 cent to 1½ cents per pound of manganese in ores containing 25 per cent of manganese or over. This increase in duty should result in stabilizing the Pittsburgh price of manganese contained in ores or concentrates of commercial grade at about 65 cents per unit of 22.4 pounds of manganese. It is upon this basis of price that most of the calculations have been based concerning the cost of mining and recovery of the metal under the new processes which have been developed, and plans for the construction of new plants are now held in abeyance awaiting the outcome of tariff legislation. With the enactment of my amendment the entire industry will move forward at a rapid rate and will soon be strong enough to occupy a permanent and prominent place in the economic structure of the Nation.

TREND OF WORLD MANGANESE PRICES DOWNWARD

A review of the international trade in manganese ore for the first six months of 1929 by James W. Furness, chief of the minerals division, Bureau of Foreign and Domestic Commerce, was published in Commerce Reports August 19, 1929, on page 489, from which I quote the following:

That a buyer's market exists in manganese ore, owing to the partial culmination of the many factors which influence the world's production and marketing of the high-grade ore, is made evident by the international commerce during the first six months of 1929.

It has been repeatedly stated in various publications that the four great sources on which the industrial world now depends for the larger part of its requirements of this essential mineral are capable of a production materially greater than the world's consumption. For the past three years prices have been descending in spite of the fact that consumption, owing to increased manufacture of steel, has materially increased, but the productive capacity of the world's resources has also been materially expanded.

In view of the fact that manganese ore prices have been and are continuing to decline, it is obvious that the duty provided in the Fordney-McCumber Act has become less effective in the last two or three years in protecting the domestic industry and consequently emphasizes the importance of increasing the rate to 1½ cents per pound in accordance with the provisions of my amendment.

The article contains other observations and data of importance and I herewith submit it for publication in the RECORD at this point.

The PRESIDING OFFICER (Mr. Fess in the chair). Without objection, it is so ordered.

The article is as follows:

INTERNATIONAL TRADE IN MANGANESE ORE, FIRST SIX MONTHS OF 1929

James W. Furness, chief, minerals division

That a "buyer's market" exists in manganese ore, owing to the partial culmination of the many factors which influence the world's production and marketing of the high-grade ore, is made evident by the international commerce during the first six months of 1929.

It has been repeatedly stated in various publications that the four great sources on which the industrial world now depends for the larger part of its requirements of this essential mineral are capable of a production materially greater than the world's consumption. For the past three years prices have been descending, in spite of the fact that consumption, owing to increased manufacture of steel, has materially increased, but the productive capacity of the world's resources has also been materially expanded.

SOUTH AFRICAN AGREEMENT—THE TCHIAURI DEPOSITS OF GEORGIA

One of the outstanding developments during the first half of 1929 was the agreement entered into by the Manganese Corporation of South Africa (Postmasburg area) with the Government for the building of a railway in order to render these deposits commercial through transportation. This agreement called for a minimum tonnage of 250,000 tons per year for the first year at the completion of the railway and 350,000 tons thereafter.

Notwithstanding the disorganized condition existing at the mines in the Tchiaturi district of Georgia shipments of high-grade manganese ore from Russia have been on a parity with pre-war shipments. This has been due largely to the extensive development of the Nikopol deposits of the Ukraine. The decrease in shipments from the Tchiaturi deposits during the first six months is significant only of the conditions in the mining industry in this area. The reserves of this deposit, in fact, are such that it will be many years before they are exhausted. In 1913 this deposit produced more than 1,200,000 tons of high-grade ore. The ease with which the material can be mined and the cost at which the ore can be placed at tidewater are two of the factors which warrant the statement that this deposit is one of the controlling factors in the world price of manganese and is capable of a production in excess of any that has been attained in the past.

THE MANGANESE INDUSTRY OF INDIA

The manganese industry of India during the past five years has, by improvements in mines and transportation facilities, been able to maintain a low-cost figure, notwithstanding the increase in price of the various commodities necessary for conducting business. In the past four years production has steadily increased in this country, and shipments for the most part have remained constant. A large tonnage, of from 600,000 to 800,000 tons, held as stocks, has been accumulated at the mines.

Exports of manganese from India during the 11 months April, 1928 to February, 1929, inclusive, of the Indian fiscal year ended with March, 1929, totaled 613,790 tons, as compared with 649,367 tons for the 1927-28 period. Of the leading markets, the United Kingdom took

148,840 tons (221,181 tons in 1927-28), Belgium 156,885 tons (163,142 tons), France 199,277 tons (135,372 tons), and the United States 66,250 tons (89,200 tons).

EXPORTS FROM THE GOLD COAST—BRAZILIAN PRODUCTION AND SHIPMENTS

Data as to the shipments of manganese ore from the Gold Coast for the first six months of 1929 are not available. During the past five years there has been a seeming decrease in exports to countries other than Norway and Canada. Those of crude ore to these two countries have materially increased during this period and there has been a corresponding increase in the exports of ferromanganese from Norway and Canada.

The production of manganese ore in Brazil during the first six months of 1929, in comparison with the first half of 1928, was almost the same, being 157,202 tons and 158,537 tons, respectively, but exports were about 14,000 tons larger during the current year, the bulk of which continues to go to the United States, according to Vice Consul Rudolf E. Cahn, at Rio de Janeiro.

Exports of manganese ore from Rio de Janeiro for the first six months of 1929 totaled 158,418 long tons, against 144,680 tons in the first half of 1928. Those to the United States were 128,118 long tons (92,656 tons in 1928), to Belgium 12,500 tons (26,124 tons), and to France 17,800 tons (6,200 tons).

The stocks on hand at the mines on June 30, 1929, were 44,292 long tons, which is normal.

IMPORTS INTO THE UNITED STATES

During the first six months of 1929 the United States imported from various sources 343,711 long tons of manganese, as compared with 177,775 tons in the first half of 1928.

Imports of manganese ore into the United States, first six months
(Long tons)

Country of origin	1928		1929	
	Gross weight	Manganese content	Gross weight	Manganese content
Brazil.....	75,650	32,826	130,850	57,804
British India.....	43,600	22,637	47,420	24,015
Canada.....	95	54	4,425	2,458
Chile.....	2,032	964
Cuba.....	1,119	622	2,215	1,674
Gold Coast.....	9,973	4,605	5,606	2,801
Java and Madura.....	1,000	571
Russia.....	45,193	22,253	152,036	76,037
Other countries.....	113	60	159	91
Total.....	177,775	83,921	343,711	165,451

IMPORTS INTO GERMANY—BELGO-LUXEMBURG IMPORTS

Imports of manganese ore into Germany for the first five months of 1929 and the same period of 1928, respectively, were 114,847 and 125,902 metric tons. Russia supplied 55,142 tons, an increase from 24,886 tons in the 1928 period.

The Belgo-Luxemburg manganese ore imports from January to May, 1929, increased to 111,799 metric tons from 94,747 tons in the 1928 period.

Mr. ODDIE. Mr. President, further evidence of the downward trend in prices of manganese ores appears in a London dispatch of June 22 published in the Daily Metal Trade of Cleveland, Ohio, July 3, 1929, as follows:

There seems little doubt that the Russians intend to pursue an aggressive selling policy even at the expense of prices and other producers will probably have to accept low prices if they wish to dispose of their output.

In confirmation of these predictions a 5-year contract between the United States Steel Corporation and the Soviet Ore Trust was announced in Moscow about the middle of August, 1929, to take 80,000 to 150,000 tons of ore annually.

The average world price of market grade manganese ore, delivered at Atlantic ports, based on London prices as of June 22, 1929, published in the Daily Metal Trade of July 3, 1929, is 26.55 cents per unit of 22.4 pounds of manganese. The freight from Baltimore to Pittsburgh is 5.04 cents per unit. The 1-cent tariff duty under the present act would amount to 22.4 cents per unit, which would make the world market price of manganese laid down at Pittsburgh 53.99 cents per unit. This figure is considerably below the cost of production and transportation on ores domestically produced to the Pittsburgh market.

It has been estimated by those producers who are regularly shipping ore to the Pittsburgh market that it can not be done with a profit at less than 65 cents per unit. On the basis of the world price of ores above stated and the duty provided for in my amendment of 1½ cents per pound, the Pittsburgh price would be 65.19 cents per unit, which is sufficient to enable the domestic industry to develop and to maintain continuous operations. On this basis of price at Pittsburgh, the domestic in-

dustry soon will develop to the point where a large proportion of the domestic consumption can be supplied. A duty of any less than 1½ cents per pound would fall short of the necessary protection and to that extent would impair the ability of the domestic industry satisfactorily to supply a large percentage of domestic requirements.

PRODUCTION FOR MANGANESE SHOULD BE ON PARITY WITH ZINC AND LEAD

The equivalent price of manganese when in the form of ferromanganese is from 6 to 7 cents per pound; of zinc in the form of slab zinc, from 6 to 7 cents per pound; and lead, in the form of pig lead, is from 6 to 7 cents per pound. Under the tariff act of 1922, ferromanganese was granted a duty of 1½ cents a pound, slab zinc a duty of 1¼ cents a pound, pig lead a duty of 2¼ cents a pound, while a duty of 1 cent per pound was granted on manganese contained in ores running 30 per cent of manganese or over; a duty of 1½ cents per pound on zinc contained in ores running 25 per cent of zinc and over and a duty on lead of 1½ cents a pound on the lead contained in ores running 1 per cent and over. It will be noted that there is a marked disparity between the relative duties granted in the 1922 act on the metals contained in ores of zinc, lead, and manganese and in the finished products derived from these ores.

The protection afforded in my amendment is identical in every respect with the zinc schedule of 1922. If the ores of manganese had been granted the same degree of protection as was extended the base metals, lead and zinc, the domestic manganese industry would not now be appearing before Congress, pleading for this additional protection to bring manganese up to a parity with zinc and lead. Both the lead and the zinc industries were well established in 1922 and their costs of production well defined, whereas the manganese industry in 1922, and even at the present time, in its early stages of development, requires only this equitable adjustment as provided for in my amendment to place it on the same solid and permanent foundation as enjoyed by the zinc and lead industries.

MINE LABOR SUPPORTS AMENDMENT

The Twenty-sixth Annual Convention of the International Union of Mine, Mill and Smelter Workers, representing approximately 10,000 members, held at Salt Lake City on August 5 to 9, 1929, adopted a strong resolution in support of the provisions of my amendment. I herewith submit a copy of that resolution for publication in the RECORD at this point.

The PRESIDING OFFICER. Without objection, the resolution will be printed in the RECORD.

The resolution is as follows:

INTERNATIONAL UNION OF MINE, MILL,
AND SMELTER WORKERS,
Salt Lake City, Utah, August 14, 1929.

HON. TASKER L. ODDIE,

United States Senator, Washington, D. C.

DEAR SIR: The inclosed resolution was adopted by the Twenty-sixth Convention of the International Union of Mine, Mill, and Smelter Workers held in Salt Lake City, Utah, on August 5 to 9, 1929.

We understand that the Senate Finance Committee, which has under consideration the whole tariff schedule, including manganese ores, will make its recommendations on the floor of the Senate when Congress convenes on August 19, and we ask that you give the resolution your moral support.

Yours very truly,

EDWARD E. SWEENEY,
Secretary-Treasurer.

Whereas the Congress of the United States now has pending before it a revenue measure which involves the consideration of the tariff to be imposed upon various manufactured products and numerous raw materials used in the industries of the United States, and which directly affect American labor and the welfare of American industries, especially those industries in which mine, mill, and smelter workers of America are particularly engaged; and

Whereas there is, at the present time, between 300,000 and 400,000 tons of manganese ore imported annually and used especially in the iron and steel industries of this country; and

Whereas the importation of this vast ore tonnage has prevented in the past and is now seriously interfering with the mining of manganese and the development of mining properties in America, thus interfering with and preventing the employment of a vast number of American laborers, and at the same time retarding the commencement of new enterprises, all of which would greatly benefit our country and increase the demand for labor; and

Whereas the International Union of Mine, Mill, and Smelter Workers, representing approximately 10,000 members, having at heart not only the conservation but the development of our natural resources for the benefit of the citizens of our own country, and the employment of labor at home, are directly interested in the proposed tariff law now under consideration, and particularly as it affects manganese ore; and,

Whereas recent investigation demonstrates conclusively that unless a proper tariff is imposed upon manganese the tonnage heretofore annually imported will be greatly increased by reason of the recent extra production of this ore in Russia and other foreign countries, all of which will invade the American market and further retard the production of American ores; and,

Whereas from careful investigation it has been determined that an increase of one-half cent per pound on metallic manganese is necessary to establish a price of approximately 65 cents per unit, which is 3 cents per unit lower than the average price paid by steel companies for foreign ore covering a 5-year period ending January 1, 1929, and that such an increase is essential for the development of manganese ore producing properties in the United States, thereby developing new industries and increasing the demand for labor: Therefore be it

Resolved, That we, the International Union of Mine, Mill, and Smelter Workers in convention assembled, do hereby indorse the efforts of the American Manganese Producers Association in its efforts to secure an increase of one-half cent per pound on metallic manganese and to apply said tariff on all imports containing 10 per cent or more of manganese rather than those of 30 per cent as required under the existing law, and pledge to this association our hearty support and cooperation; and be it further

Resolved, That the president and secretary of this union be and they are hereby authorized, directed, and empowered to transmit a copy of these resolutions to the Senators and Representatives in Congress of all the States directly interested in this question, and to urge them to support and earnestly labor for this increased tariff, and also convey to such Senators and Representatives the fact that this organization earnestly approves all efforts which are being made to fully and properly protect all the industries and workers directly concerned in this tariff legislation.

STRONG DOMESTIC MANGANESE INDUSTRY WILL BENEFIT STEEL

Mr. ODDIE. Mr. President, until there is developed a strong manganese industry in the United States, consumers will be largely at the mercy of foreign producers. Foreign nations which possess manganese deposits, so soon as substantial trade is developed, as a rule, begin to levy export taxes, which are rapidly increased to the limit that the traffic will bear. Such export taxes have the effect of increasing prices and consequently in the absence of domestic competition consumers in the United States will be ultimately compelled to pay more for foreign manganese ores than they would for domestic ores produced in a protected market. Also, where domestic competition is a controlling factor in price determination, prices are maintained with a greater degree of stability. A domestic manganese industry in a strong competitive position is the best insurance that prices over long periods will remain more stable and at lower levels. For these reasons, the domestic steel industry in the long run would undoubtedly greatly benefit by the development of a strong manganese industry in the United States and therefore it is extremely difficult to justify the policy of free trade which the steel industry now advocates for the manganese industry.

Furthermore, there are certain steel operations located outside of Pittsburgh and Gary which are now benefiting by obtaining manganese at lower prices from domestic sources of supply more closely situated to their plants. The steel operations to which I refer are located at Pueblo, Colo., Provo, Utah, and Birmingham, Ala. At Pueblo ores from Butte are being imported and manufactured into ferromanganese at that place with great satisfaction from a metallurgical standpoint and at much lower prices than would have to be paid for the same product shipped from Pittsburgh.

Under the same favorable conditions, manganese ores are being shipped from the Pioche district in Nevada to the steel mills at Provo, Utah, with substantial savings in cost and in transportation. At Birmingham, the steel industry is being supplied with manganese ores from a number of points in the South at material saving in expense. Should these manganese operations be shut down as they would be in the event that manganese ores were to be restored to the free list, these steel plants would be compelled to buy ferromanganese at higher prices and pay the additional cost of transportation from the far East.

These independent steel companies located at some distances from the seaboard, if allowed to speak for themselves, would undoubtedly oppose the free manganese ore policy of the American Iron and Steel Institute and would favor the provisions in my amendment. Under the stimulus of my amendment, processes will be put in operation from which concentrates will be produced containing a much higher percentage of manganese than the best of the imported ores and freer from objectionable impurities. The steel industry would, therefore, benefit by these improvements which will not be made unless the protection afforded in my amendment is made available.

MANGANESE ORE RESOURCES IN 32 STATES

The United States Bureau of Mines on June 25, 1929, submitted to me a map of the United States showing occurrences of manganese in 32 States. The United States Geological Survey prepared an enlargement of this map which is now hanging on the wall in the rear of the Senate and to which I would like to call attention. On this map there are 216 black dots which, according to the legend, represent manganese deposits or areas and in addition to these, there are 17 showings of manganese. This map demonstrates the broad geological distribution of manganese in the United States and suggests that in the aggregate large tonnages of manganese ore reserves exist. Development in most of these 32 States will proceed with the enactment of my amendment.

Mr. VANDENBERG. Mr. President, I have been looking at the map which the Senator has placed on the wall, and I wonder if he will identify the marks a little more accurately. Do the spots represent development or merely deposits?

Mr. ODDIE. They represent deposits, some of which are developed and some of which are undeveloped.

Mr. VANDENBERG. And are these deposits all acknowledged to be such or are they speculative?

Mr. ODDIE. They are acknowledged to be such by the Bureau of Mines and the Geological Survey and by other authorities. They are not acknowledged to be developed properties, because the question of the value of the deposits remains for future development to determine.

To independent steel plants in the South and West remotely situated from the present center of ferromanganese manufacture and to farmer consumers of manganese-sulphate fertilizer, these well-distributed manganese developments will make manganese available at the lowest price and the lowest cost of transportation.

I herewith submit a copy of the map prepared by the United States Bureau of Mines for publication in the RECORD at this point.

The PRESIDING OFFICER. The Chair will suggest to the Senator from Nevada that if he desires to have a map printed in the RECORD it will be necessary, as the Chair understands, to secure an order from the Committee on Printing.

Mr. ODDIE. Very well; I will reserve that request, Mr. President.

KNOWN ORE RESERVES HAVE LIFE OF OVER 50 YEARS

In an address delivered by William B. Daly, manager of mines of the Anaconda Copper Mining Co., before the Second Annual Convention of the American Manganese Producers' Association, held in Washington September 9 and 10, 1929, he stated that it was not necessary to discuss all of the 216 deposits shown on the map in order to demonstrate extensive reserves. Mr. Daly is one of the most outstanding, competent, and successful mining engineers in the mining industry, and his opinions, based on long, practical experience, should be given great weight. Quoting from Mr. Daly's address:

The analysis of this claim would not be complete, however, without particularly calling your attention to a few of the larger deposits.

The General Manganese Corporation, with properties near Chamberlain, S. Dak., own or control manganese deposits which can produce from 50,000,000 to 100,000,000 tons of ore assaying 16 per cent. This statement is verified by John A. Savage & Co., well-known consulting geologists of Duluth, Minn. The owners of this property welcome an examination by the United States Geological Survey at any time.

The Chapin Exploration Co., with properties in western Arizona and southeastern Nevada and with headquarters at Kingman, Ariz., own or control manganese deposits which can produce approximately 50,000,000 tons of ore assaying 10 per cent. This statement is verified by Mr. M. C. Lake, consulting geologist, of Duluth. The owners of this property also welcome an examination by the United States Geological Survey.

The Cuyuna Range in Minnesota contains about 50,000,000 tons of manganese ore assaying 10 per cent. This statement is also verified by Mr. Lake.

These deposits alone, without including the other 200 or more, give a total of from 150,000,000 to 200,000,000 tons, or enough manganese, when beneficiated, to supply this country for from 50 to 75 years.

Walter H. Denison, of Cushman, Ark., has been mining manganese ores in that State for over 42 years. In a letter received from this producer dated October 6, 1929, he states that he has been compelled to increase his estimate of five years ago to a tonnage seventy-two times as great. Since his original estimate was about 450,000 tons, his estimate as of to-day would be about 30,000,000 tons of ore averaging about 20 per cent manganese. This is in evidence of the rapid strides which have been made in exploration work under the stimulus of the Fordney-

JULY 13, 1929.

McCumber Tariff Act. I have received no less than 200 letters from producers in nearly all of the 32 manganese States covering briefly the conditions prevailing at their respective properties and urging the enactment of my amendment as a prerequisite to production. Of these 200 letters I have selected a few of the most important ones covering the principal manganese deposits in the country, and without reading these letters I will ask, Mr. President, that they be included for publication in the RECORD at this point.

The PRESIDING OFFICER. Without objection, they will be printed in the RECORD.

The letters are as follows:

CUSHMAN, ARK., October 6, 1929.

HON. TASKER L. ODDIE,

United States Senator from Nevada,

Senate Office Building, Washington, D. C.

DEAR SENATOR: We thank you for your interest in behalf of manganese mining.

Arkansas production for 1929 will double the production of any year since the armistice. If I were asked to make an estimate of Arkansas' possible tonnage, I would make it seventy-two times more than I would have made it five years ago.

I have examined manganese properties in several States and in one foreign country.

It is 42 years and 1 month since I first began mining manganese in Arkansas, and have been actively engaged in same since that date, except from 1898 to 1914, when our Arkansas industry was dead, on account of the importation of cheap foreign ores.

Please pardon the length of this letter, but knowing our Senators are overworked and can not study every subject thoroughly, I am attempting to assist you.

Herein you will find 14 argumentative paragraphs in support of a manganese tariff.

1. The tariff on manganese ore fosters an important growing American industry.

2. Such a tariff will keep open sufficient available manganese deposits, to insure our independence in any emergency such as we experienced during the World War.

3. It will furnish employment and additional income to a goodly number of American workmen, some of whom would not be otherwise employed.

4. It certainly contributes to the general prosperity of the Nation, in the way of increased freight receipts and increased purchasing power of some of the people.

5. It will save from total loss over \$20,000,000 invested in manganese properties and equipment throughout our Nation. This loss will fall on some citizens in approximately every State of the Union.

6. This tariff increases the United States revenues two ways. Some American manganese producers will pay income taxes. The steel people claim to pay approximately \$6,500,000 per annum import duty on manganese.

7. It increases the taxable value and tax revenue in 34 States which will be lost unless a manganese tariff is sustained.

8. A manganese tariff will not increase the price of steel to the consumer 1 penny, as the selling price of steel is fixed by the protective tariff the steel products enjoy.

9. The increased cost of steel on account of the tariff on manganese ore is negligible, as on an average there is approximately 16 pounds of manganese metal consumed to a ton of steel. There is still contemplated a tariff on ferromanganese. Therefore, the steel producers are asking Congress to destroy an American industry involving many millions of dollars, to save them approximately one-half of a small import tax.

10. It is a short-sighted policy of the steel companies, fostered by gross selfishness, and bordering on ignorance, to try to kill this important developing industry, which will ultimately contribute more to their own prosperity than this tax will cost them.

11. Under the present low manganese ore tariff Arkansas 1929 production will double 1927 production, it is steadily increasing, making new discoveries without exhausting the old.

12. We believe with the present known deposits the United States will greatly expand our manganese production quickly, if the proper tariff protection is given this industry.

13. Without a tariff the American manganese producers will all have to cease operations, with every dollar invested in manganese mining properties and equipment to become a total loss, thereby pauperizing some who can ill afford it.

14. Some of the steel producers are strenuously opposing a manganese tariff and making absurd claims in opposition. The steel companies' own self-preservation should dictate a broader plan, a plan that will treat all American interests fairly, with partiality and prejudice to none. By thus doing we will perpetuate America, develop high American ideals, and destroy the different radicalisms that are so prone to spring up when unfair selfishness is glaringly shown.

Very truly yours,

WALTER H. DENISON.

Re manganese ore tariff, paragraph 302 (a).

HON. TASKER L. ODDIE,

United States Senate, Washington, D. C.

MY DEAR SENATOR ODDIE: Representations have been made to the Senate Finance Committee that very little manganese ore exists in the United States and that no worthwhile developments have been made under the 1-cent tariff. The opposite to this is true. An abundance of manganese exists in our Southern and Western States. The bulk of this ore is low grade and has not formerly been considered of commercial value. Under the encouragement of the 1-cent tariff new processes have been successfully developed for the production of high-grade ore from the low-grade deposits. The ores produced from these low-grade deposits, under new methods of beneficiation, run higher in grade than any other ore commercially known in the world.

To-day one plant at Butte, Mont., is shipping this high-grade beneficiated manganese ore at the rate of 72,000 tons a year. I am informed that another property at Cartersville, Ga., is now shipping high-grade ore at the rate of 300 tons a week. The larger plant, now under construction, costing about \$1,000,000, will be completed this fall and will have a rated capacity of 120,000 tons a year of high-grade ore.

After 6 years of development work, in construction of over 5,000 feet of tunnel, 1,000 feet of shaft work, and numerous open cuts for determining and blocking out ore reserves, and in working out methods for treating the ore, another property is being completed in Virginia. A total of approximately \$500,000, I understand, has already been spent in improvements on this one property, and we are now completing a concentrator with other mining equipment at an additional cost of \$150,000. This plant now nearly completed will be in operation this fall with a production of 30,000 tons of high-grade ore yearly.

In addition, there are a number of other properties on which development work is proceeding and with a market for the ore assured, it is our determination to firmly establish the industry in Virginia. Numerous other substantial developments are under way in a number of States in the South and West. Manganese is important to the security of the Nation as a whole and it is my conviction that the country can not afford to neglect the further development of its own resources in this important strategic mineral.

I am financially interested in the development of the properties in Virginia as a solid mining proposition. My brother-in-law, Marcus Daly, and his mother, who are interested with me, and I do not sell stock in our mining ventures.

There is not a particle of doubt but what the industry is being nationally established on a firm, sound basis, and that the reserves are ample to supply the needs of the United States for many decades to come.

The only drawback now is a ready market for the ore. Due to imported foreign ores the price of manganese has dropped since these developments were started. A tariff of 1½ cents per pound on metallic manganese content of manganese ore with protection for low-grade ores will serve to reestablish the market under which domestic producers can successfully compete with low-cost foreign ores.

I will greatly appreciate any attention you may give the manganese-ore tariff.

In our developments in the South, Marcus Daly and I are jointly interested with J. Carson Adkerson, president of American Manganese Producers Association. Mr. Adkerson is located in Washington and will, I am sure, furnish you any additional information you may desire in connection with our developments or the industry as a whole.

Yours very truly,

JAMES W. GERARD.

DETROIT, MICH., August 16, 1929.

Senator TASKER L. ODDIE,

Senate Office Building, Washington, D. C.

DEAR SENATOR ODDIE: The writer wishes to take this opportunity of expressing his thanks for the work you have done on behalf of the manganese industry.

Our own development comprises over 100,000 acres of land lying along the Missouri River in South Dakota. After 18 months of field and laboratory work several competent engineers have estimated this property to contain between fifty and a hundred million tons of manganese ore, running between 16 per cent to 18 per cent manganese.

This deposit can be mined open pit and has sufficient ore to supply one-third of our entire domestic demands for 50 to 100 years.

Mr. D. F. Hewitt, of the United States Geological Survey, has recently spent 10 days in examining this property and believes it to be one of the largest in the world.

We have developed a process that from pilot-plant operation proves conclusively this ore can be beneficiated to a product running between 65 to 70 per cent manganese and free from all objectionable impurities.

The only thing necessary for this manganese to be made available to the American steel industry is proper tariff protection.

We welcome an investigation by any of the Government departments to verify these facts.

Trusting this information will prove of interest and assuring you of our appreciation of your efforts and support, I remain
Yours sincerely,

K. M. LEUTE,
President General Manganese Corporation.

NEW YORK, August 9, 1929.

HON. TASKER L. ODDIE,

United States Senate, Washington, D. C.

MY DEAR TASKER: Please accept my sincere appreciation of your efforts and accomplishments in behalf of the producers of domestic manganese. I have all along felt that if it were possible to portray to our lawmakers and convince them of the true facts pertaining to the practically inexhaustible supplies of low-grade ores and of their economical and commercial processing the justice of protection will be irrefutable.

However, the great difficulty seems to have been to counteract the gross misstatements and misrepresentations, and I fear now that the efforts of Buck et al. will be redoubled. It, therefore, behooves domestic operators to increase their efforts and in a manner that will convincingly reflect the facts.

We have some 3,000,000 tons of manganese in Philipsburg which will average close to 30 per cent manganese. If we have the protection sought and the resulting market, we will install there an initial plant capable of annually producing 25,000 to 30,000 tons of ferro, grade averaging 50 per cent or better.

We are, subject to such protection, negotiating for properties in Arizona, where we would also install a plant to produce a similar annual tonnage.

Hoping for the pleasure of again seeing you ere long, and with sincere personal regards,

Faithfully,

LESLIE L. SAVAGE,
President U. S. Mining & Development Co.

P. S.—The inclosed "snaps" are of our three separate shafts in Philipsburg, through which our present development is being done in the hope and faith that the justice of protection will be recognized and granted.

BATESVILLE, ARK., August 12, 1929.

HON. TASKER L. ODDIE,

Washington, D. C.

DEAR SENATOR: Having spent the past 10 years in manganese development work in this section, beg to lay before you facts pertaining to the industry as have developed in this field which are, I believe, typical of the condition in general the country over.

Until 1914 little interest was shown in the development or production of manganese in this country.

The war called our attention to the seriousness of our inability to supply our own needs.

After the close of the war parties interested in the development of these ores thought that a tariff of 1 cent would be sufficient to establish a price that would warrant the development of ground and the erection of plants according to Government flow sheet, for the handling of these ores.

Since 1920 around \$200,000 has been spent in this field on plants and development work and every one has been a complete failure. The ore got away.

A crude ore running 25 per cent manganese, 20 per cent silica, 25 per cent iron, after being treated by standard methods would run 15 per cent manganese, 30 per cent silica, 30 per cent iron, and where a careful sampling and analysis of a deposit would show a possible recovery of, say 60 per cent of a 30 per cent ore, an actual recovery of around 5 per cent would be made with the above results.

This condition has existed from the start and some of our best engineers have made the biggest failures in attempting to handle these ores.

About three years ago Mr. L. B. Miller, of Cleveland, Ohio, and myself set out to determine why these ores could not be mechanically concentrated, and on the 5th of last July (1929) I received word from Mr. Miller that we had been granted a patent on our process, No. 185779.

We can now say that these ores can be recovered by mechanical means.

It has taken 10 years to disprove old-standard methods and work out and prove new ones for this work.

In the Batesville-Cushman field there are, I estimate, 100,000,000 tons of ore capable of being recovered by modern methods.

This new industry, conceived during the war, developed to its present state by the encouragement of a tariff, must have further protection to live.

The past few months has brought to completion other new methods for the treatment of these ores, which absolutely assure us of a home supply of these ores for hundreds of years, but in so short a time it has been impossible to erect plants and show production.

We invite a thorough investigation of our claims. Thanking you for the interest you are taking in our behalf, I am,
Yours very truly,

WILLIAM G. RINEHART.

PHILADELPHIA, PA., July 17, 1929.

HON. TASKER L. ODDIE,

United States Senate, Washington, D. C.

DEAR SIR: I want to thank you and express my appreciation for the great work you are doing in behalf of domestic manganese. If we are successful in having the tariff on manganese increased, it will be in a great measure due to your untiring efforts.

I am mining manganese in Giles County, Va., and if we are successful in securing the higher protective tariff, as planned by the American Manganese Producers' Association, I can guarantee an output of 250 tons of ore per day, or 75,000 tons during 1930. This figure could be doubled in 1931.

The deposits on our property are large, and if we are given the proper protection which would warrant our making a capital investment for the installation of equipment to operate on a large scale we could turn out a practically unlimited amount of high-grade manganese ore which will run from 45 to 50 per cent of metallic manganese. Without adequate protection it would not be advisable for us to make such an investment.

Again thanking you for your interest and trusting that we will be successful in this endeavor, I am

Sincerely yours,

STANGE CONSTRUCTION CO.,
By OTTOMAR STANGE.

COLORADO GEOLOGICAL SURVEY,
UNIVERSITY OF COLORADO,
Boulder, July 29, 1929.

The Hon. TASKER L. ODDIE,

United States Senate Office Building,
Washington, D. C.

DEAR SENATOR ODDIE: I am sure the owners and miners of manganese in Colorado and other States appreciate the work you are doing in their behalf. I am inclosing herewith a copy of a letter I sent to Senator PHIPPS regarding conditions in this State.

Yours truly,

R. D. GEORGE.

COLORADO GEOLOGICAL SURVEY,
UNIVERSITY OF COLORADO,
Boulder, May 21, 1929.

The Hon. LAWRENCE C. PHIPPS,

Senate Office Building, Washington, D. C.

DEAR SIR: The question of the duty on manganese coming into the United States is one of great importance to the mining industry of Colorado. I am sending you a copy of a very brief bulletin prepared somewhat hurriedly from investigations made and data collected during the war. The facts presented in the bulletin were made available to the proper committees and boards in Washington when the demand for manganese was at its height, and they were at a later date put into book form to give greater permanency to the records.

An examination of the bulletin will show that manganese deposits are very widely distributed in Colorado and that some of these deposits are of very great size.

A recent canvass of the production possibilities indicates that within a very short time after the imposition of a satisfactory tariff on manganese ores and products, Colorado could produce 400 tons of manganese ores per day. This estimate is very conservative, as I am assured by men who are thoroughly familiar with the situation that Leadville alone could produce 300 tons per day. The operators at Red Cliff could easily produce a hundred tons per day of manganiferous iron ore having a workable content of manganese. Cripple Creek and a number of other places, particularly the Gunnison region, could together provide another hundred tons per day.

These deposits include pure manganese ores of high metallic manganese content and practically free from silica at the one extreme, and the manganiferous iron ores carrying from 20 to 25 per cent metallic manganese at the other extreme. The greater tonnage will be ores of the manganiferous iron type. Of these latter Leadville is now shipping more than 100 tons per day and the operators assure me that they could very easily increase their output to 300 tons per day.

The mining men of Colorado earnestly hope that fair protection may be given to the manganese industry of the State.

Yours truly,

R. D. GEORGE.

DENVER, COLO., July 19, 1929.

HON. TASKER L. ODDIE,

The Senate, Washington, D. C.

DEAR SENATOR: With the thought that you would be interested in the manganese deposit in Colorado, we are writing you relative:

Our Paymaster mine in Gunnison County, Colorado, consists of 10 claims, eight of which lie end to end in a northerly and southerly direction and cover a 14-foot vein which is exposed by outcrops and workings for the entire distance of 12,000 feet. The vein has been cut at a depth of 350 feet and shows the same high grade ore as in the workings near the surface.

According to a report made by Dr. R. D. George, head of the Colorado State geologic survey at Boulder, Colo., 65 per cent of the ore lies in three veins within the vein and may be taken out clean and easily and is of chemical or battery grade. The average analysis is 86 per cent MnO_2 .

Aside from this dioxide ore there will be some 3,000,000 tons of low-grade ore, which can be successfully treated for use in making steel provided the increased tariff is established.

The company is assured of sufficient funds to carry on an intensive development campaign and construct a plant capable of concentrating 750 tons per day providing the $1\frac{1}{4}$ -cent tariff goes into effect. Without this increase in tariff this ore is valueless.

There are four other known deposits in Colorado ready for development depending, of course, upon an adequate tariff.

Expressing our thanks and appreciation for the work you are doing in an endeavor to benefit the domestic producers, we are,

Very sincerely yours,

THE MANGANESE MINES CO. OF AMERICA,
By L. B. HUNGERFORD, *Secretary*.

SEATTLE, WASH., July 20, 1929.

Senator TASKER L. ODDIE,

United States Senate, Washington, D. C.

HONORABLE SIR: We have been watching with much satisfaction your splendid work in the interest of the tariff on manganese and in behalf of the Washington Manganese Mining Co. we wish to express our sincere appreciation.

We in the State of Washington, and especially the Olympic Peninsula, are deeply interested in the tariff on manganese for the success of an increased tariff will assure the development of unlimited deposits in this mountain range.

We have developed our property of very high-grade ore, one ledge recently uncovered yielding ore assaying 58.75 per cent metallic manganese.

This particular property (the Crescent mine) has produced during 1925-26 over 30,000 tons high-grade ore averaging 52 per cent metallic manganese.

A large amount of development work has been done since then, and we will soon be ready for shipments on a large scale.

Our engineer, who has just finished a survey of this property, has given us an estimate of sufficient high-grade ore to supply the country for 12 to 15 years, not taking into consideration a large area which is still undeveloped and which shows one outcrop of 40 feet high-grade ore.

Several other deposits of very promising appearance have been found in the same area, also in other places in the Olympic region, being distributed through a distance of 110 miles.

With the help of an increased tariff a tremendous development and production of high-grade ore is assured, not only in our State but several other States.

Again thanking you for your very valuable assistance, which no doubt is due to your keen insight and understanding pertaining to the importance of our country becoming independent of foreign countries, especially in case of war, when this supply of foreign ore might easily be cut off.

Respectfully yours,

WASHINGTON MANGANESE MINING CO.,
C. OSSEWARD, *Secretary and Treasurer*.

SILVER CITY, N. MEX., July 25, 1929.

Senator TASKER L. ODDIE,

Washington, D. C.

DEAR SENATOR ODDIE: We have been following the manganese tariff fight and wish to thank you for the work that you are doing in behalf of domestic manganese. This tariff means a great deal to the domestic producers and to the owners of low-grade deposits in this country, such as we term ourselves.

We have a low-grade deposit just outside of Silver City, N. Mex., which has an estimated tonnage on the surface of about 10,000,000 tons of 14 per cent manganese and 39 per cent iron. This tonnage may be found to be a very low estimate after this property is opened up and the depth of the ore is found. So far there have been no deep workings on this property, and therefore no one knows just how deep the ore really runs.

We have not produced any ore this year and will not start production until we see just what action Congress takes in protecting domestic manganese, as the outlay for plant, etc., runs into several hundred thousand dollars, and we want to be fully protected.

Thanking you again for your efforts in the above and hoping that they will bring the desired results, we remain,

Yours very truly,

FAQUIER CO.,
KENNETH S. GRAEF,
Secretary.

HARPERS FERRY, W. VA., July 29, 1929.

Senator TASKER L. ODDIE,

Senate Building, Washington, D. C.

DEAR SIR: The writer desires to express his appreciation, as well as that of our company, for the very efficient work you have been doing on behalf of a proper tariff on manganese.

The writer has been greatly interested in this matter and has spoken to several parties in reference to it, calling special attention to the fact that recent improvements following chemical studies of the subject have advanced the art to the point where the importers such as United States Steel Co. and Bethlehem Steel Co. can utilize a grade of manganese slightly less than 30 per cent, and thereby avoid paying a duty.

We have discovered a short time ago that there is a deposit of manganese on our property near Bakerton, W. Va., and the tests indicate that the average content of manganese will be less than 30 per cent, and therefore we would have to compete, as we develop this property, with a foreign product that at present comes in duty free.

I am unable at this time to go to the extent of this deposit, but we have already hoisted about 100 tons, and appearances indicate that we have a considerable quantity of this material.

Trust your efforts will be very successful in securing the proposed tariff, we remain,

Very truly yours,

HARPERS FERRY PAPER CO.,
WILLIAM H. SAVERY.

SAN FRANCISCO, August 14, 1929.

Hon. TASKER L. ODDIE,

United States Senate, Washington, D. C.

MY DEAR SENATOR ODDIE: We of the West who are interested in the economic development of our mineral resources certainly appreciate the tower of strength you have been in championing our cause in Washington, and especially in the more recent matter of the tariff on manganese ores now before the Senate committee.

California, in particular, has important potential resources in the lower grades of manganese-bearing material, which will some day be made commercial through methods of beneficiation now being developed, but which would largely be in vain without tariff protection against foreign importations.

With kindest personal regards, I am, very truly yours,

WALTER H. BRADLEY,
State Mineralogist.

WABASH, IND., August 10, 1929.

Senator TASKER L. ODDIE,

Senate, Washington, D. C.

DEAR SENATOR: We wish to express to you our appreciation of your active support for protection on the lower grades of manganese and an increase of one-half cent on manganese 30 per cent and up. We wish to add our definite assurance that we will need the protection asked if the manganese industry is to be developed in the United States.

Right at the present time we are financing a manganese development in eastern Tennessee, or, in other words, really preparing to produce a high-grade product from the low-grade ores of Tennessee, where we operated about a year and a half under the style of Manganese Ore Co., using only the crude methods of production that have applied in the past.

Present plans call for the installation of a concentration mill to develop our properties, consisting of between 5,000 and 7,000 acres of mineral land, 30 acres of which have been prospected to the present time, developing something over 200,000 tons of ore, according to our engineers.

The Government, working along with us, have advised a recovery of present waste material can be made to the extent of around 73 per cent, with a metallic content of 45 per cent. This by gravity concentration alone, and further concentration by roasting the resulting gravity concentrate raises our metallic content to above 48 per cent.

We have carried on research work for about 18 months, and know definitely we can produce a high-grade concentrate, but to make the proposition profitable it is going to be necessary to have the protection asked.

From information at hand we feel sure that our initial installation, which will be the only one in Tennessee, will be the means of large-scale development in a very few years. To the present time we have had numerous inquiries from smaller operators asking us to concentrate on a custom basis, and this we expect to do for the purpose of encouraging the development of all smaller deposits.

Really the extent of deposits of low-grade ore is not known so far as eastern Tennessee is concerned, for to the present time no deep prospecting has been done, everything being confined to practically surface work or to a depth of about 50 feet. Geological information indicates we may expect our main deposits at a greater depth, this however will be determined only when the matter of manganese production is approached from an intelligent standpoint and modern methods used.

This we expect to do, provided we are protected to the point where we may see the possibilities of some return on our investment.

Recent deep development in Virginia leads us to accept reports of geologists on our properties, since the Georgia, Virginia, and Tennessee deposits are traced through the three States in an unbroken chain.

Allow us again to express our appreciation of your work for the manganese industry, and we can not feel that the Senate or the House will allow an industry just getting on its feet to be throttled.

Very truly yours,

HOLSTON MANGANESE CORPORATION,
O. D. HUTCHENS, *President*.

PHILIPSBURG, MONT., August 8, 1929.

Senator TASKER L. ODDIE,
Washington, D. C.

DEAR SENATOR ODDIE: I am writing you to express our sincere appreciation of your efforts in helping maintain the manganese tariff.

Removal of the tariff on manganese would be a serious blow to the mining industry in Montana. An increase of one-half cent on manganese would in the near future make it one of the principal ores produced in this State. We are sincerely hoping this increase will be made.

Assuring you, for all the producers with whom I have discussed the situation, that your endeavors are greatly appreciated, I am,

Sincerely yours,

JOHN HICKEY,
President Moorlight Mining Co.

CHATTANOOGA, TENN., August 10, 1929.

Senator TASKER L. ODDIE,
Washington, D. C.

DEAR SIR: Representing the Belmont Land & Mining Co., I desire to express our appreciation for the effort you have made in behalf of domestic manganese.

We are small producers at present, but hopeful of increasing our output in the near future. We have a valuable property. However, the ore is deep under the surface and requires heavy machinery to handle the ore. We haven't the means to do the work properly, and men of means will not lend us money until the tariff bill is passed by Congress.

Our mines are on manganese ridges some 25 miles east of Chattanooga. This ridge was given its name by the United States engineers and geologists because of the manganese outcroppings at intervals along its entire length, some 300 miles or more. It extends from near Birmingham north 20° east through Alabama, three counties in northwest Georgia, through the entire State of Tennessee, and into Virginia near Bristol. The president of our company, Mr. J. R. Ryan, of Cohutta, Ga., while in the employ of the Government, and for the Government, tramped this ridge through Tennessee for 150 miles, and found evidence of manganese on every mile of it. He reported on some of these outcroppings and recommended them, but before the Government took over the properties recommended by Mr. Ryan the World War came to an end by the armistice. If the committee's recommendation to Congress for an increase of the tariff on manganese prevails, many deposits along manganese ridges will be developed. The ore along this ridge is of the highest grade, averaging 50 per cent metallic manganese.

On account of heavy machinery necessary to mine this ore, the heavy cost of proper equipment, the owners of these several deposits are not able financially to erect a suitable plant, and with the uncertainty of the duties being put on foreign ores (mined by cheap labor) they can get no loans.

Much of the foreign ores, as you are doubtless advised, is shipped as ballast, free of freight charges, and in many instances shippers are paid for the use of ores as ballast.

Again thanking you, and assuring you of our high appreciation of your labors in our behalf, and in behalf of thousands of American laborers, and best wishes, we are,

Yours very truly,

BELMONT LAND & MINING CO.,
H. L. DAVIS, *Secretary*.

DULUTH, MINN., July 19, 1929.

Hon. TASKER L. ODDIE,
United States Senator, Washington, D. C.

MY DEAR SENATOR: I am writing to express our personal appreciation of your efforts in behalf of the tariff on manganese.

Aside from being interested in several manganiferous properties on the Cuyuna Range in Minnesota, we have a unit in the West, which,

after investigating many deposits in this country, has taken up several properties and a concentration process.

We will, of course, make no move to develop these properties further until the tariff question on manganese is satisfactorily settled. When it is, we will proceed; but it is perfectly evident that without suitable tariff protection, broadly speaking, all the domestic manganese production and efforts in that direction will come to a standstill.

There are a number of substantial concerns that for several years have been spending time and money endeavoring to help develop a domestic source of manganese for the making of ferro, and under proper protection it certainly seems as if this industry could go a long way toward supplying the requirements of the steel industry in this country, and it is apparently quite likely that in due course all of the requirements could be domestically filled.

If manganese were a nonessential war mineral it would be different, but, as there appears to be no substitute for it, it would be most unfortunate if this country had to continue depending upon foreign sources, which can so easily be cut off under anything but absolutely normal peace conditions.

There seem to be so many arguments in favor of fostering this domestic industry that they should far outweigh the one argument largely brought forward by some of the steel interests—that the consumer is paying too great an annual toll through this tariff. When this is figured against pounds of ultimate steel products the toll that the public pays is infinitesimal, and if there were no other argument for a suitable tariff than building up a domestic source of supply as a safeguard against war conditions of any consequence almost anywhere in the world, I should think that that reason alone would be sufficient.

A parallel case is the tariff protection, or rather bounty, by which the Canadian Government helped build up the steel industry of Canada. It doubtless could not have been built up without this help. The result is that during the last war Canada took particular pride in becoming pretty independent for its war steel requirements.

Under nominal world peace conditions it is unquestionably true that plenty of excellent ore can be obtained outside and imported, and it can be also cited how little at the present time is being supplied domestically, but if the steel companies through desiring to continue to import ore without having to pay a tariff thus killed the budding domestic manganese industry, the toll that this country would have to pay under war conditions, in which we might or might not be involved, would probably far outweigh the toll that the steel industries cite they (but in reality the public) have to pay by reason of a suitable tariff being maintained to build up a domestic industry.

Yours very truly,

ROBERT M. ADAMS CO. (INC.),
By ROBERT M. ADAMS.

KANSAS CITY, MO., July 19, 1929.

Hon. TASKER L. ODDIE,
United States Senator, Washington, D. C.

DEAR SIR: I am in possession of a fourth interest in a manganese mine in the State of Colorado about 60 miles northwest of Placerville.

The ore is pyrolusite and 90 per cent of it will run between 35 per cent and 53 per cent manganese, but because of its remote location the costs of transportation are high and although it is estimated there is a tonnage present of several hundred thousand tons, this mine can not be developed without tariff.

My associates are now working on the mine, with the anticipation that we shall be adequately protected, and I am very confident that the growth of the manganese industry within the next four years, providing we receive an additional one-half cent per pound production, would prove phenomenal.

I wish to express my sincere thanks to you for the work you are doing along this line, and assure you I and my associates are very grateful to you.

Very truly yours,

F. A. MCCOY.

ETOWAH DEVELOPMENT CO.,
Cartersville, Ga., July 22, 1929.

Hon. TASKER L. ODDIE,

MY DEAR SENATOR ODDIE: I have been favored with a copy of your statement made before the Senate Finance Committee advocating an increase of duty on manganese and hasten to express my approval of the position taken by you on this subject.

Inasmuch as the country is committed to a protective tariff as a fiscal policy, I see no reason why manganese does not occupy a position justifying protection and the reasons assigned by you are compelling in their logic. It is a great natural and national resource of great potential wealth to the Nation. It is to be developed and when developed depends on the wisdom of the Congress, that is to say, when Congress is willing to recognize manganese as a national resource of a peculiar nature demanding an outlay of investment to reach the great bodies of the ore which must exist in the deposits of the several sections of the Nation.

We are ourselves the owners of several thousands of acres of land upon which are outcroppings of manganese and every other evidence of the existence of bodies of manganese in large quantities. There is a demonstrated area of large tonnage of low-grade manganese of from 8 per cent to 25 per cent also. For the low grade there is no opportunity to sell at a profit without a tariff duty.

To exploit this property would cost a lot of money and to spend a lot of money without assurance of a return sufficient to absorb cost of proving the property and mining expense would be a foolish business adventure. On the other hand, a tariff duty scaled as you have it would justify us in developing our property and making it a resource of value to the State.

I am pleased to commend you for your very fine résumé of this subject and for your very fine reasoning in advocacy of the scale of duties you would have placed on the different grades of manganese-bearing ores. I certainly hope the Congress will see the force of your position and adopt your amendment to the present law.

Very truly yours,

OSCAR T. PEEPLES.

B. L. JOHNSON & Co.,
Knoxville, Tenn., September 4, 1929.

Senator TASKER L. ODDIE,

Washington, D. C.

MY DEAR SENATOR: I feel that it is entirely proper to express to you my thanks for the work you have done and are doing in behalf of the domestic manganese.

We have in Sevier County two true fissure veins of manganese that will produce at least 8,000,000 tons of manganese running 30 per cent and better, and if we can be given the proper protection by our Government it will be produced and give work to hundreds of mountain people that are now without any regular employment. I hope and believe that you will be able to undo the work that was done by the Senate Finance Committee at the time they reversed things.

If there is any one industry in the United States that does not need protection, it is the steel industry.

I see no reason why American labor should be forced to compete with the pauper labor of foreign countries.

Again thanking you for the good work that you have done and assuring you that we appreciate it, I am

Yours truly,

N. N. BOYDEN.

BIRMINGHAM, ALA., July 22, 1929.

Hon. TASKER L. ODDIE,

Washington, D. C.

DEAR SENATOR: As a producer in a modest way of manganese ore, I wish to thank you for interest taken by you in the effort to keep this ore off the free list and to assure you that your endeavors were not in behalf of some will-o'-the-wisp that the steel manufacturers would have Congress believe.

I have mined manganese and manganiferous iron ore for a good many years in Alabama, and am closely associated with parties in same business in Georgia, close to the Alabama line. My work and explorations convince me that the quantity of this ore is very large in this section and much of it is high quality; indeed, if we had the cheap labor reputed to be used in foreign countries the selection would result in ample supplies of choice ore. With the high cost of American labor (which no true American is willing to depress) it is impossible to beneficiate the crude ores to the point demanded by the steel people and attained by cheap foreign labor without assistance from a tariff to make up the difference in labor cost. There is no wasteful mining in raising the grade by selection, since the residue is suitable for use in pig-iron furnaces.

The question seems to resolve itself into a proposition to protect American labor with remunerative employment at living wages or increase our list of unemployed to aid foreign workers who are often little above savages. The stand for "America first" finds approval of your course.

Respectfully,

D. A. ODEN.

Mr. ODDIE. When the United States Bureau of Mines was transferred to the Department of Commerce the mineral resources division of the United States Geological Survey went along with it, and consequently any information concerning the manganese resources of the country must originate with the United States Bureau of Mines. The Mineral Resources of the United States for 1926, Part I, published by the United States Bureau of Mines, on pages 145 and 146, describes the extensive low-grade manganese deposits in the United States, and I herewith submit for publication in the RECORD at this point quotations from this report.

The PRESIDING OFFICER. Without objection, the quotations will be printed in the RECORD.

The matter referred to is as follows:

These low-grade manganiferous and ferruginous ores are found mainly in the Lake Superior region, in Colorado, and in New Mexico; the rhodonite and rhodochrosite in Montana; and the bementite in the mineralized area of the Olympic Peninsula. The major part of the reserves of the Lake Superior region is in the Cuyuna range. The Butte area of Montana contains large quantities of a mixture of carbonates and silicates of manganese and quartz. The low phosphorus content and low ratio of iron to manganese in these minerals favor their utilization in the production of ferromanganese. Regarding the reserves, J. T. Pardee, after mentioning the reserves of what is now commercial ore, says: "In addition the lodes contain an almost unlimited quantity of low-grade material consisting of carbonates and silicates of manganese and quartz mixed in different proportions. This constitutes a reserve from which, if the necessity arose, the country's needs might be largely supplied. With improvements in the methods of reduction much of it might even become valuable under ordinary conditions." There seems little question that at depth in the Philipsburg district, Montana, large amounts of the carbonates of manganese will be encountered. The problems presented by the Colorado ores, largely those of Leadville and possibly of Red Cliff, are metallurgically like those of the Cuyuna range ores.

In the chapter on manganese in Mineral Resources for 1925, attention was called to certain areas in the Olympic Mountains, Washington, where considerable prospecting in 1923, 1924, and 1925 has indicated extensive deposits of bementite, a manganese silicate.

In California, without exception, deep mining has shown that the oxide of manganese found near the surface gives way to silicates and carbonates, as, for example, at the Ladd mine in San Joaquin County. The evidence at hand indicates that solution of the problem of rendering this ore metallurgically available will result in the development of large tonnages.

In Nevada are large bodies of ferruginous manganese ore. Some of the ore of this type mined in the Pioche district in 1926 was utilized as a flux; but the larger part was utilized at Provo in the manufacture of pig iron.

If the manganese in the Utah ferruginous and manganiferous deposits were rendered available for the manufacture of high-grade steel, the domestic output of manganese would be increased materially.

Comparatively large reserves of ferruginous and manganiferous ores occur in Grant County, N. Mex.

In the Batesville-Cushman district, Arkansas, there are large unknown tonnages of what is known as Cason shale, in which "manganese buttons" occur.

In the Appalachian range there are manganiferous iron ores which present problems identical to those of similar Lake Superior ores. (Mineral Resources of the United States, 1926, pt. 1, published by the Bureau of Mines (quotations from pp. 145 and 146).)

Mr. ODDIE. To me, the fact that \$20,000,000 has been invested in the industry largely under the stimulus of the provisions of the Fordney-McCumber Act is substantial evidence that the investment was justified on the basis of extensive ore reserves, the development of which will rapidly proceed under the necessary adequate protection afforded in my amendment.

MANY BENEFICIATING PROCESSES DEVELOPED

When the manganese schedule was under discussion in 1922 low-grade ores containing 30 per cent or less of manganese were not considered commercial for the reason that there were no known methods for recovering the manganese from such ores. Furthermore, low-grade ores were then used only to a limited extent directly in the metallurgical treatment of iron or steel. Since 1922 metallurgical practice has changed, so that low-grade manganese ores have been used to a larger extent directly in the furnace to sweeten pig iron and to mix with high-grade ores in the manufacture of ferromanganese. New metallurgical processes have been developed for the recovery of manganese from low-grade ores. The Bureau of Mines has made extended investigations and as a result reports favorably on the application of flotation and magnetic concentration in recovering the manganese in low-grade ores. The Hon. O. P. Hood, Acting Director of the Bureau of Mines, has written to me covering the investigations of the bureau on processes for the beneficiation of low-grade manganese ores, and I herewith submit the same for publication in the RECORD at this point. I ask that those be placed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

UNITED STATES DEPARTMENT OF COMMERCE,
BUREAU OF MINES,
Washington, June 25, 1929.

Hon. TASKER L. ODDIE,

United States Senate, Washington, D. C.

MY DEAR SENATOR: I have your letter dated Washington, D. C., June 14, regarding recovery of manganese from low-grade domestic ores.

1. I am sending you herewith a blue-print copy of a map of the States, which the bureau has prepared, showing the occurrence of manganese in 32 States.

2. Laboratory investigations carried on by the Bureau of Mines indicate that certain types of carbonate and oxide ores of manganese are amenable to treatment by flotation or magnetic concentration methods. The bureau has likewise demonstrated in an experimental blast furnace the feasibility of obtaining in the pig iron the manganese from low-grade manganiferous iron ores. Although our studies in an experimental open hearth have not yet been entirely successful in separating the manganese from the iron, they have indicated the direction for future experimentation. In addition to the research of the Bureau of Mines several private interests have been conducting work along similar lines, and the results of their efforts should be given careful consideration in any broad survey of the technology of the industry.

These results of the bureau's research are given in a number of publications, of which the following are sent you herewith:

- Reports of Investigations, Serials Nos. 2817, 2902, 2936.
- War Minerals Investigations, Series No. 5.
- Bulletin No. 12 of the University of Minnesota.
- Reprint entitled "Production of Ferromanganese in the Blast Furnace."

In addition to these, other significant results are given in Bureau of Mines Bulletin 173; in an article entitled "Minnesota Manganiferous Iron Ores in Relation to the Iron and Steel Industry," by T. L. Joseph, E. P. Barrett, and C. E. Wood, which is published in the Transactions of the American Institute of Mining and Metallurgical Engineers, Volume LXXV, pages 292-371 (1927); and in an article on pages 49 to 56 of the proceedings of the First Annual Convention, American Manganese Producers' Association, September 10-11, 1928.

3. The Bureau of Mines has made no original estimate of manganese reserves. The Mining and Metallurgical Society of America made an estimate five years ago, reported in their Bulletin No. 168, indicating an amount of known recoverable manganese totaling between three and one-half and five million tons. Discoveries made since that time should, of course, be added.

In mineral resources chapter, Manganese and Manganiferous Iron Ores in 1926, on page 145, the author states that, in his opinion, the hope of maintaining or increasing domestic production lies in solving the metallurgical problems involved in the beneficiation of low-grade manganese ores, and that information available indicates the existence of large deposits of such low-grade material in Minnesota, Montana, Washington, Colorado, New Mexico, Nevada, Arkansas, and the Appalachian Range.

Very truly yours,

O. P. Hood, Acting Director
(For Scott Turner, Director).

Mr. ODDIE. The results of cooperative research between the United States Bureau of Mines and the Missouri School of Mines and Metallurgy were presented in an address by Fred D. Devaney and J. Bruce Clemmer, the bureau's metallurgists, before the second annual convention of the American Manganese Producers' Association, held in Washington, D. C., on September 9, 1929, from which I quote, as follows:

We feel that the employment of the flotation process in the concentration of manganese ores offers great possibilities. The process is especially applicable to the concentration of the carbonate ores. With oxide ores its application should be especially valuable in concentrating these ores requiring fine grinding, if a high-grade product is to be made, and in handling ores containing soft manganese minerals which slime badly, causing excessive losses if an attempt is made to jig or table them.

Within the last two years successful commercial plants have been erected for floating nonmetallics; one of these plants is concentrating phosphate ores and the other is making a very high-grade concentrate from fluor spar ores. We are confident that at no far distant date flotation plants working on manganese ores will be in operation in this country, and that the adoption of this process will result in increasing the manganese reserves of the country and in more efficient plant operation to the producers. Low-grade and complex ores can be treated by this process; higher recoveries will be made in the mills because of the recovery of the soft manganese minerals which, under present methods, are largely lost in the slimes.

Referring to new processes for the beneficiation of low-grade manganese ores, J. Carson Adkerson, president of the American Manganese Producers' Association, in his testimony before the Subcommittee on Finance, stated, on page 144, as follows:

Flotation of manganese ore is a development in beneficiation which only a year ago was generally declared impossible and is announced as the result of exhaustive tests carried on at the United States Bureau of Mines experimental station at Rolla, Mo., under the direction of Will H. Coghill.

There is none who will deny the existence of hundreds of millions of tons of available low-grade manganese ore in the United States. There

is none who can deny that this low-grade manganese ore is to-day being beneficiated into an ore running higher in manganese than any other ore produced anywhere in the world; there is none who can deny that production of high-grade ore from the low-grade material will continue to expand and grow, providing tariff protection of 1½ cents per pound is guaranteed.

To-day one plant alone at Butte, Mont., is taking low-grade material formerly considered worthless and shipping a high-grade manganese ore at the rate of 72,000 tons a year. This is not hoped for; this is actually being done, and the material shipped runs 57 per cent metallic manganese.

One operator at Cartersville, Ga., is producing manganese ore at the rate of 450 tons a week, and with proper tariff protection guaranteed, machinery now being installed will be completed to bring the production to 100,000 tons a year. This is being done on a deposit where all former attempts at production had failed, and is now made possible by entirely new methods and processes applied to manganese mining and treatment.

One company in Minnesota has spent more than \$300,000 in working out a process and building a pilot plant for the recovery of manganese from the otherwise worthless manganese-bearing rock of the Cuyuna Range, and plans are under way for the construction of a plant to produce 100,000 tons per year of ore running 63 per cent metallic manganese.

Mr. William B. Daly, manager of mines of the Anaconda Copper Mining Co., in his address before the second annual convention of the American Manganese Producers' Association on September 9, 1929, announced that in the company's research laboratory a method for applying the flotation process to the manganese ores of Butte had been developed, and substantiated the commercial success of some other processes which had been worked out for the beneficiation of low-grade manganese ores. I quote from his address as follows:

The second claim made by the proponents of free trade on manganese ore is that if large tonnage did exist there is no known process to beneficiate them so that the product will be acceptable to the steel industry. I am reliably informed by Mr. K. M. Leute, representing the General Manganese Corporation at Chamberlain, S. Dak., that a leaching process has been successfully developed whereby the ores belonging to his company can be beneficiated so that the product will assay about 70 per cent manganese.

I am also reliably informed by Mr. M. C. Lake, representing the Chapin Exploration Co., of Kingman, Ariz., that the Bradley process, which is ammonium sulphate leaching, has also been successfully worked out, in so far as his ores are concerned, so that the product will assay from 65 to 70 per cent.

The Anaconda Copper Mining Co., at Anaconda, Mont., has worked out a successful flotation method which will beneficiate its rhodochrosite ores at Butte from 25 per cent to 40 per cent, and at the same time reduce the silica content to 6 or 7 per cent. The working out of this process has trebled the reserves in Butte.

Considerable progress has been made by the United States Bureau of Mines in working out methods of flotation for the beneficiation of both carbonate and oxide manganese ores.

The third claim is that the cost of beneficiation is prohibitive. From my personal knowledge and from other information, I can state quite definitely that the processes described are simple and that they are inexpensive.

Considering the small amount of development of the manganese industry in 1922, phenomenal progress has been made under the stimulus of the protection afforded in the Fordney-McCumber Act in mining exploration work and especially in overcoming the difficulties involved in beneficiating low-grade ores. This progress is additional evidence that American inventive genius can be counted upon for developing new and most efficient processes for the recovery of metals from even most complex ores. To restore manganese to the free list, all of the progress so far made would be completely wasted. However, if the provisions of my amendment are made effective, the progress already made will continue and the domestic manganese industry placed upon a sound and permanent foundation and this country will be made independent of foreign sources of manganese supply.

METALLURGICAL PROGRESS EXPANDS ORE RESERVES

History in the development of the copper, lead, and zinc industries in the United States demonstrates that it has required many years to reach the present stage of efficient production. The porphyry copper deposits were known for over 25 years before a satisfactory leaching process was developed and since then tremendous tonnages of copper ore have been added to the Nation's reserves.

Likewise there were large tonnages of complex and low-grade zinc and lead ores which had been lying dormant for many years until the flotation and other processes could be successfully applied to their beneficiation. That so much progress in

the last two or three years has been made in developing successful processes for the beneficiating of low-grade manganese ores is due very largely to the fact that leaching, flotation, and other processes which had become highly developed in the copper, lead, and zinc industries were available for experimentation. It has been largely a matter of better adjusting the leaching and flotation processes to the particular problems involved in the treatment of low-grade manganese ores, rather than the discovery of processes involving new and untried principles. It is for this reason that the metallurgists who have been working on the development of beneficiating processes for manganese can be so certain of the successful results obtained and also in the accuracy of estimating the cost of their operation.

The manganese industry should at least be given a chance to apply on a larger scale the processes which have been developed. The protection afforded in my amendment will furthermore stimulate metallurgical effort and inventive genius still further to perfect the processes now available.

History repeats itself in the case of manganese as it has in the case of copper, lead, and zinc. Improvements in metallurgical processes have invariably resulted in lowering costs of operation, profitably treating material containing less metal, and thereby substantially expanding the manganese ore reserves of the Nation.

IN FULL ACCORD WITH ADMINISTRATION'S PROGRAM

To summarize, Mr. President, there are five principal reasons for taking up this item and the adoption of my amendment at the present time:

First. The development of new metallurgical methods for the beneficiation of low-grade manganese ores.

Second. The changes in metallurgical practices whereby low-grade manganese ores are used more extensively in the furnace.

Third. The desirability to industry generally in developing a domestic manganese industry to safeguard against exorbitant foreign prices.

Fourth. The favorable prospects of the more extensive beneficial use of manganese as a fertilizer by the farmers of the United States.

Fifth. The importance to the national defense of having this country permanently made independent of foreign sources of manganese supply.

There are, therefore, five principal reasons for readjustment of the tariff on manganese ores in accordance with my amendment, each one of which is in accord with the administration's program, especially that which indicates the importance of by-product manganese sulphate as a fertilizer for the use of the farmer.

Mr. ASHURST obtained the floor.

Mr. WALSH of Montana. Mr. President—

The PRESIDING OFFICER. Does the Senator from Arizona yield to the Senator from Montana?

Mr. ASHURST. I yield to the Senator from Montana.

Mr. WALSH of Montana. I see by the clock that it is now 20 minutes to 6. What is the view of the Senator from Washington [Mr. JONES] with respect to the matter of quitting for the day?

Mr. JONES. The Senator from Arizona said he was perfectly willing to go on for a while to-night.

Mr. ASHURST. Mr. President, the hour is late, and I understand that an executive session is desired. I am entirely willing, if I may secure the floor to-morrow when we convene, to forego any address to the Senate to-night.

The PRESIDING OFFICER. The Senator would be entitled to the floor to-morrow.

Mr. WALSH of Montana. I was very eager that there should be a larger attendance to hear the Senator from Arizona discuss this important subject. I am loath to ask for a quorum at this time; and that leads me to suggest that it would be wise to forego further consideration of the bill until to-morrow.

Mr. ASHURST. Then, I surrender the floor until to-morrow, Mr. President.

Mr. JONES. Mr. President, the Senator would have no objection if I should occupy four or five minutes to-night to get a matter in the RECORD, with the understanding that I do not deprive the Senator from Arizona of the floor?

Mr. ASHURST. No, Mr. President.

Mr. JONES. Mr. President, I shall use only three or four minutes.

I have in my hand Bulletin 725 of the Department of the Interior, Contributions to Economic Geology, 1921, by F. L. Ransome and E. F. Burchard, geologists in charge. This document sets out the knowledge that we had at that time with reference to the presence of manganese and manganese ores in the various States. At page 229 it gives an account of the prospects in the State of Washington. I ask that I may have printed in the RECORD what I have marked on pages 229 and 230.

The PRESIDING OFFICER. Without objection, the marked portions of the bulletin will be printed in the RECORD.

The matter referred to is as follows:

DEPOSITS IN WASHINGTON—INTRODUCTION

In 1915 and 1916, when general attention was first turning toward western sources of manganese, several deposits in the State of Washington were developed and a small amount of ore was produced. Some of these deposits had been discovered at an earlier date, and a few—in particular the Black and White mine, along the North Fork of Skokomish River above Lake Cushman, and the Tubal Cain, west of Quilcene—were partly developed in a search for copper and other minerals. In 1917 and 1918 deposits along the North Fork of Skokomish River were developed to a moderate extent for manganese, but no shipments were reported. From the Black and White mine, however, 100 tons or more of manganiferous material that contained noteworthy amounts of native copper was shipped as copper ore. The total reported production of manganese ore in Washington is less than 500 tons, most of which was used by the Bilrowe Alloys Co. at Tacoma for making ferromanganese. Despite their small production, however, most of the Washington deposits are decidedly interesting and not without future possibilities as profitable sources of considerable manganese. Except the deposit at the Three Buttes mine, a rather small body in the Okanogan Valley near Omak, the deposits are of an unusual type. They consist chiefly of bementite, a mineral which is practically unknown elsewhere and which, although it carries a rather large percentage of manganese, is too high in silica to be used for making ferro-alloys by ordinary metallurgical methods.

In places, however, manganese oxides are associated with the bementite, the mixture forming an ore suitable for reduction in the electric furnace. On account of the general lack of development work the amount of ore of this kind available is difficult to estimate, but it is believed to be large. As shown by the natural exposures the quantity of bementite available is to be measured by tens if not hundreds of thousands of tons. Whether this material unmixed will ever be a profitable source of manganese depends on future advances in metallurgy.

Manganiferous deposits are found in a belt 2 or 3 miles wide that lies on the east and south slopes of the Olympic Mountains and extends from a point south of Lake Quinalt to the basis of Dungeness River, a distance of 50 miles or more. Deposits that are similar to those in the Olympic Mountains are found also about 60 and 75 miles farther northeast, respectively, on Fidalgo Island, south of Anacortes, and on the mainland east of Samish Bay.

Mr. JONES. Mr. President, I have received quite a number of communications from persons representing companies interested in manganese and manganese development in the State of Washington. There is one letter that I desire to read to the Senate, under date of October 30, from the Washington Manganese Mining Co.:

SEATTLE, WASH., October 30, 1929.

Senator WESLEY L. JONES,

Washington, D. C.

HONORABLE SIR: The Senate no doubt will soon take up the manganese debate and in this connection we wish to call your attention once more to the Olympic Range, and especially to the Crescent mine, which has this past month been examined by one of the best mining engineers who was sent out by a large corporation, and who has reported this property the most virgin manganese field with the highest grade ore he has ever seen.

He also reported that the tonnage is satisfactory with much more to be developed. This pertains to high-grade ore only, and samples taken ran 54.85 to 59 per cent manganese.

As to the low-grade ore it is not possible to estimate the tonnage for the quantity is very large; however, by beneficiation a very large tonnage of high-grade ore can be produced.

In addition manganese sulphate will no doubt soon play an important part as fertilizer benefiting the farmer.

To make this possible, however, a protective tariff is absolutely necessary to put the industry on its feet, and the duty asked for in Senator Oppie's manganese amendment would make this infant industry within a short time a full-grown giant.

If the Olympic deposits are developed, many associated industries would be brought here and our State would benefit greatly by this development.

This pertains not only to this State but every State in the Union where manganese is found, and we have 34 States where manganese deposits have been located.

These valuable resources can be developed and your help will go a great way to make this development a 100 per cent success.

It means that our country will become independent as far as this very valuable mineral is concerned.

Very truly yours,

WASHINGTON MANGANESE MINING CO.,
C. ASSEWARD, Secretary.

Then I ask to have printed in the RECORD along with this a letter from Charles W. Culver, of the A. C. E. Development Co., under date of August 22, 1929; also a letter from the Washington Manganese Mining Co., dated June 12, 1929; also a letter of the Protective Corporation of America, of Seattle, under date of August 29, 1929.

The PRESIDING OFFICER. Without objection, the letters will be printed in the RECORD.

The letters are as follows:

SEATTLE, WASH., August 22, 1929.

HON. WESLEY M. JONES,

United States Senator, Washington, D. C.

MY DEAR MR. JONES: We have written you one or more letters within the past few months with reference to the tariff on manganese. This question is of vital importance to our State of Washington and many other States of the Union, altogether to the number of 33 States, we believe.

We note with regret that the Republicans on the Senate Finance Committee, who were reported to be in favor of retaining the present tariff on manganese, suddenly decided in favor of putting manganese on the free list. This would deal a solar plexus blow to the manganese industry of the State of Washington, as well as that of other States engaged in this industry.

You, no doubt, understand that the present tariff on manganese is 1 cent a pound and that the producers asked for an increase of 50 per cent, making a 1½-cent unit, and reducing the limit on which it is applicable from 30 to 10 per cent. The committee voted in favor of this 1½-cent unit recently, but now we understand they have suddenly reversed themselves. Why?

We can not urge upon you too strongly the importance of your using every possible influence to help and conserve the manganese industry when this question comes up on the floor of the Senate early in September, to secure a protective tariff for manganese, and any influence which you can conscientiously bring to bear upon your fellow Congressmen will be greatly appreciated.

Yours very truly,

A. C. E. DEVELOPMENT CO.,
By CHAS. W. CULVER.

SEATTLE, WASH., June 12, 1929.

HON. WESLEY L. JONES,

United States Senate, Washington, D. C.

HONORABLE SIR: Regarding the tariff on manganese ores, the following statistics are significant.

Imports of manganese ore into the United States

Year	Total from all countries (gross tons)	Imports from Russia (gross tons)	Per cent of total
1922	374,451	1,642	0.4
1923	196,986	11,670	5.9
1924	231,393	41,097	17.8
1925	286,564	114,537	40.0
1926	347,378	122,345	35.2
1927	308,630	133,159	43.1
1928	159,842	79,529	49.9

Two important facts are brought out in this table: First, that Russia supplied practically 50 per cent of the manganese ores imported into the United States in 1928; second, that the importation of manganese ore fell to a very low level in 1928.

Why?

The following letter was filed with the Ways and Means Committee in the House by Mr. C. A. Buck, vice president of the Bethlehem Steel Co.:

"Manganese being essential to steel making, every effort has been made to establish its existence in quantity and quality in our own country. I know personally from 40 years' experience that every effort has been made by us in that direction, and I would urge the committee to reflect on the fact that the steel industry itself would voluntarily, without any tariff or other obligation, turn to the domestic source of materials if such materials existed in proper quantity, quality, and location."

He concludes by saying that "I officially speak for the greater part of the steel industry," and insists on the "reestablishment of manganese ore on the free list," the very thing that will forever make impossible the development of the production of manganese on a large scale in this country.

In view of his insistence on placing manganese on the free list, the sincerity of his professions of interest in our domestic production is not convincing. It is decreasingly convincing as we examine into the activities of Leonard J. Buck (Inc.), which is the commercial agent in the

United States of the soviet manganese ore trust. This Leonard J. Buck is none other than the son of the vice president of the Bethlehem Steel Co.

The second fact:

Why the decrease of high-grade ore importation in 1928?

This falling off is due to the fact that the producers of high-grade pig iron and steel have found a way to use the low-grade ore, and during the year 1928, according to reliable data, imported in the neighborhood of 100,000 tons of manganese ore carrying a content of from 27 to 28 per cent metallic manganese, thereby dodging payment of duty. Is not this sufficient answer to the gentleman who claims that ore of less than 30 per cent is of no value? If low-grade ores are of no value, why these importations? In many cases these low-grade ores are mixed with the high-grade ores after being imported, thereby cheating the Federal Treasury out of what is justly due.

You can readily see why we are asking duty on ore containing 10 per cent metallic manganese and up instead of ore containing 30 per cent and upward. There are untold quantities of this quality of ore in this country (10 to 30 per cent) and with processes of beneficiation this country can be made independent of foreign countries.

In order to develop the industry and induce capital to invest we need a tariff on this grade of ore, in order that we may be able to compete with cheap foreign labor.

Trusting that this young industry may receive your earnest support for the necessary duty, so that our State may share in a large measure in developing the enormous quantity of manganese existing in the Olympic Range, we remain,

Respectfully yours,

WASHINGTON MANGANESE MINING CO.,
C. OSSEWARD, Secretary and Treasurer.

PROTECTIVE CORPORATION OF AMERICA,
Seattle, August 29, 1929.

HON. WESLEY L. JONES, Senator,

Washington, D. C.

DEAR SENATOR: I regret to note that the tariff committee will recommend that manganese ores be placed on the free list. If this is done the development of the manganese ores in the Olympic Peninsula will cease. Possibly you are not aware that there are a number of manganese claims that are being developed in that territory. The manganese found in the Olympic mountains is very good grade and, with the new process of extraction, they will be able to produce a large tonnage if they are given some protection by the Government.

With no duty on manganese ores they will come into this country from foreign countries, produced by cheap labor, as ballast or at a very nominal rate, and, I think you will agree with me, that this will not be very encouraging to the development of manganese in the State of Washington and other States. I assume that the large steel interests are anxious to see manganese on the free list, but with the enormous net earnings of the steel corporations, it does not appear to me that they need very much protection by stopping the development of manganese properties in this country and permitting manganese to come in without duty. I am taking the liberty of calling your attention to this, hoping that you will be able to use your influence and get a duty placed on manganese ore before the final settlement of the tariff bill.

Yours very truly,

C. W. HOLB.

Mr. JONES. Mr. President, I will state that I have a letter from Mr. D. G. McIntire, president of the Skagit Steel & Iron Works, to which he has attached a communication from the American Steel Institute regarding the removal of duty on manganese ore. He says that if the figures and statements in this article are correct, then he is opposed to putting a tariff on manganese. I desire to call attention, however, to just one statement—I will not go further with this—which shows to me the importance of the development of this industry or of this resource in our own States.

This article says:

Manganese ore is an absolute essential in making munitions.

If that is true, Mr. President, this country should not be dependent upon any foreign country for that which is essential in munitions in case we should have any trouble.

If we were to use up our entire supply of manganese ore in the United States for commercial purposes, we would, in the event of another war, be wholly dependent for munitions on our ability to import manganese from India, Russia, Africa, and South America. The longer we can postpone the exhaustion of our limited supply of manganese, the stronger position we will be in for national defense.

It seems to me that in the interest of national defense, if we are to put it that way, we should develop this resource and determine what we have; and the indications are that we have

far more than enough to meet all the demands that may be made.

Mr. ASHURST. Mr. President, at this juncture in the RECORD, and not as appendixes, I ask that there be printed certain extracts from editorial comments on manganese.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

EXTRACTS FROM EDITORIAL COMMENTS ON MANGANESE

[New York City Evening World, August 16, 1929]

In other words, the Government has been used to present the United States Steel Corporation with a gift of from five to six millions because it wanted the gift and demanded it.

This corporation has always been liberal with campaign funds, and who cares for the masses who must buy sugar and shoes and the cheaper grade of clothing and blankets? They don't contribute. Business is business, and sometimes business is politics and politics is business.

[Boulder (Colo.) Camera, August 19, 1929]

Mr. Hoover said at Pueblo November 3 last: "Of your minerals, zinc, tungsten, and manganese could scarcely be produced except for the protective tariff."

Mr. Hoover gave the tariff on these metals as a reason why the Republican Party should be kept in power.

[Leadville (Colo.) Herald, August 18, 1929]

The so-called ultimate consumer is not adversely affected by the imposition of a tariff on manganese. Certainly the Steel Trust would be a sufferer, for it thrives greatly by protective duties on its products, and it is not of record that it passes on these benefits to the consumer.

[Ohio State Journal, August 21, 1929]

Over the week-end there was a change of sentiment, the manganese rate was brought up for reconsideration and the same Senate committee, by a vote of 6 to 5, voted to wipe out the duty and put the ore on the free list. Later came the announcement from Moscow that the United States Steel Corporation had contracted with the Soviet representatives for 150,000 tons of manganese ore per year for five years.

At the hearings steel representatives said the duty had cost the steel industry about \$45,000,000 during the last six years. If the duty is taken off will that bring steel prices down? Of course it will not, but the advantage will go to the producer. As Western States are interested in producing manganese ore the action of the Senate committee offers another reason for objecting to the tariff measure by western representatives.

[The Crosby Courier, Crosby, Minn., February 28 1929]

Our reserves of these low-grade ores are extensive but to have a supply of high-grade product available in an emergency requires an adequate tariff protection in times of peace.

[The Constitution, Atlanta, Ga., March 3, 1929]

Taking one instance for illustration, the Manufacturers Record warns the manufacturing interests that no manufacturer who seeks a protective duty on his product has any right to protest against a protective duty on another man's product which he uses as his so-called raw material.

[New York Herald Tribune, May 27, 1929]

The tariff makers were told, too, that the provision for duty-free entry of low-grade manganese ores is in effect a breach of faith with the investors and industrialists who responded to the Government's plea for the development of America's manganese resources as a matter of national policy in making this country independent of foreign sources.

[Port Angeles (Wash.) News, May 24, 1929]

Manganese mining can be made a prosperous industry in the Olympics if official Washington ever recognizes the true condition of the market and is sincere about aiding Americans instead of foreigners.

[Madison (S. Dak.) Leader, August 24, 1929]

If the deposits are as rich as some mining engineers and metallurgists claim from tests made the mining of manganese may develop into a major industry in South Dakota.

[Mitchell (S. Dak.) Republican, August 23, 1929]

It so happens, however, that these manganese deposits have been found in about 30 States in the Union. Of course, some of the deposits are richer than others, but the placing of manganese on the free list will effectually prevent their rapid development.

[Rapid City (S. Dak.) Guide, August 23, 1929]

Their products with the manganese alloy are, of course, protected. Naturally they do not want to pay a duty on the manganese, for the obtaining of which they have so advantageous an arrangement. Their success with the administration members of the Finance Committee is not a testimonial to the virtue of their arguments for free manganese, but it is a stupendous demonstration of their influence on the Republican administration.

[Miami (Fla.) News, August 25, 1929]

Steel has always been the backbone of the protective system. Yet steel is for free trade in the things it must buy. This brings to view the long-sought, real principle in tariff making. Tariffs on the things we sell, free trade in the things we buy, that's what everybody wants.

[Aberdeen (S. Dak.) American, August 20, 1929]

It can readily be calculated in a general way, however, what it would mean to this State if a large company like the Steel Corporation, which practically supplies the world, should start and maintain mining operations here, instead of going to the extra expense of obtaining franchises in foreign lands.

[Pierre (S. Dak.) Journal, August 20, 1929]

For this purpose, with added financial backing, the sponsors employed John A. Savage, well-known Duluth engineer, for pit tests. After nine months' work Mr. Savage made a report declaring there is available 50,000,000 tons of surface ore, to say nothing of the millions additional which may be had by strip mining.

[Denver (Colo.) News, August 16, 1929]

Colorado has produced large quantities of manganese ores. How much it could produce is unknown, because capital has feared to adventure because of the uncertainty of the tariff situation on this commodity. With free manganese Colorado will be unable to produce a ton; if Leadville and other camps were assured of protection for some years ahead, there is no doubt but what they could supply all the manganese needed in the steel works of the West.

[New York City Evening World, August 17, 1929]

It is most desirable that all the cards in the manganese matter be forced upon the table in a room open to the public.

[Boulder (Colo.) Camera, August 16, 1929]

Manganese is a product of Colorado mines, a tariff on which, distributed among the consumers of steel, of which it is an alloy, has been an inconsiderable item. Yet, at the beck and call of the steel interests, the tariff which protected that mineral has been stricken by the Senate committee and manganese has been placed on the free list.

One of the elements which has made it possible to continue operation of the South Park Railroad, branch of the Colorado & Southern, has been manganese tonnage.

[Miami (Fla.) Herald, August 17, 1929]

Producers in these States will probably object to the action of the Senate Finance Committee and will, with the rest of the country, wonder if there is any connection between the big contract in Russia and the action of the committee.

[A. J. Seligman—New York Herald-Tribune, August 21, 1929]

Our company alone has produced and can produce from two to four times the 5 per cent the steel companies allow for the American manganese producers, and, with incentives to the other companies in the matter of price and the development of the several beneficiation processes, a large proportion of the amount of manganese needed in America could be produced at once.

[Tampa (Fla.) Times, August 21, 1929]

When is a duty not a proper duty? When billion-dollar combines that will sometimes contribute to campaign chests are wanting to buy raw material away from home. The 1-cent duty on manganese vanished as does the summer mist and all that was seen in the bright August sun was manganese smiling on the free list.

[Columbus (Ohio) State Journal, August 21, 1929]

At the hearings steel representatives said the duty had cost the steel industry about \$45,000,000 during the last six years. If the duty is taken off will that bring the prices of steel down? Of course it will not, but the advantage will go to the producers.

[Rapid City (S. Dak.) Journal, August 21, 1929]

Now South Dakota comes forth with the information that she has enough manganese to supply all United States manufacturing needs for generations to come. It is no more than fair, according to our system, that United States should use South Dakota manganese in preference to foreign ores.

[Sparks (Nev.) Tribune, August 21, 1929]

The production of manganese is one of Nevada's infant industries and needs nourishing. The industry has developed a process whereby low-grade manganese ore can be developed into a high-grade product.

And thus Nevada again suffers from another tariff bill.

[Reno (Nev.) State Journal, August 20, 1929]

This talk about conserving our natural resources, particularly when applied to manganese, is pure and unadulterated bunk, and the vote of the Senate Finance Committee reversing itself in the matter shows how completely the steel interests and other industrial barons dominate the tariff proposals.

[New York City News, August 22, 1929]

Removal of the duty has already been called an \$8,000,000 hand-out to the steel companies, and orators can think of better names than that if pressed.

[Casper (Wyo.) Oil Index, August 30, 1929]

The steel industry was nurtured to its present status by a high protective tariff. Big corporations reason in terms of dollars only. With cheaper manganese it is not expected that the price of steel will be reduced on that account.

[Superior (Ariz.) Sun, August 30, 1929]

Manganese ore is produced in 32 States, which means that at least 60 Senators, or two-thirds of the Senate, may be expected to favor a duty on it, but will they?

[Shelby (S. Dak.) Record, August 29, 1929]

The development of the manganese deposits in South Dakota is a project in which every thoughtful citizen is and should be interested.

[Alliance (Nebr.) News, August 29, 1929]

Their success with the administration members of the Finance Committee is not a testimonial to the virtue of their arguments for free manganese, but it is a stupendous demonstration of their influence on the Republican administration.

[Winnemucca (Nev.) Star, August 21, 1929. Ely (Nev.) Times, August 26, 1929]

When the industry finally gets into stronger hands, metals will receive fair consideration in tariff application.

[Tonopah Daily Times, August 30, 1929]

United States Steel, whose basic fortune comes from the mines of the United States, seeks to undermine the natural resources of the American people by building up a competitive industry for a competitor nation.

[Baltimore Sun, September 18, 1929]

It might have been supposed the manganese duty had been reduced in response to valid arguments that it was indefensible if the Senate committee had not gone out of its way to demonstrate this was not the case.

[Denver (Colo.) Post, August 16, 1929]

To enable the rich and powerful United States Steel Corporation to save a few million dollars the Finance Committee of the Senate has voted to put manganese ores on the free list, and to deny tariff protection to American producers.

[Gunnison (Colo.) Republican, August 22, 1929]

Significant is the fact that the action of the Senate committee followed just three days after the United States Steel Corporation had signed a contract whereby all of its manganese will be obtained in Russia.

[Beaumont (Tex.) Enterprise, August 22, 1929]

In the meantime the domestic manganese industry is pictured as battling for its life and destined to suffer much from the failure of the Republican tariff makers to give it the protection it so earnestly requested.

[Oklahoma City (Okla.) Oklahoman, August 29, 1929]

American steel is no "infant industry." Neither is it threatened by foreign competition. In 1928 American manufacturers sold almost exactly twice as much structural steel abroad as foreign manufacturers sold in the United States. But prohibition, not protection, is the purpose of the tariff revisers.

[Butte (Mont.) Standard, August 22, 1929]

It is pertinent to make the further observation that Congress, always ready to serve developing industries of the East, should give equally attentive consideration for the budding industries of the West.

[Tyrone (Pa.) Herald, August 17, 1929]

Since manganese is produced principally in the West, this action, so welcome to the steel industry, will further widen the sectional rift on the tariff question.

[Mitchell (S. Dak.) Republican, August 29, 1929]

And the manganese section is but one of hundreds in which old tariff principles have been scrapped as a result of political manipulation.

[Miami (Fla.) Herald, August 17, 1929]

Producers in those States will probably object to the action of the Senate Finance Committee and will, with the rest of the country, wonder if there is any connection between the big contract in Russia and the action of the committee.

[Providence (R. I.) Evening News, August 16, 1929]

If we were disposed to use the sort of hysterical language which tariff advocates sometimes use in their tearful pleas for higher rates, we

should say that the committee is handing over to a lot of "bloodthirsty communists" what should belong to the manganese miners of Montana.

[Daily Metal Trade, September 14, 1929]

Also this week, comes a fantastic story from Pittsburgh bearing all the earmarks of propaganda, and pointing the finger of blame and scorn at the copper interests as being responsible for the fight for a higher manganese tariff, because we are told, the copper people own huge manganese deposits adjacent to their copper mines.

[Engineering and Mining Journal, February 23, 1929]

All in all, the brief portrays the steel producers as standing pat. They are against a tariff on anything they have to buy, just as they are for one on anything they have to sell. To secure their ends they blindly present specious arguments as if it were self-evident truth, doubtless relying upon their influence in many channels to crush a small industry that seeks to grow in defiance of their wishes. It is hoped that Washington will properly appraise their attitude.

[Automotive Daily News, March 19, 1929]

The United States has extensive deposits of low-grade manganese ore. This low-grade ore produces perhaps the finest manganese in the world, but it takes time to develop the mines and place them on an adequate production basis to meet any emergency that may arise. We are trying to protect ourselves in the creation of an adequate reserve of crude oil for military uses, and it would seem to be the sensible thing to look to our manganese reserve in times of peace to have it ready for any possible emergency.

[Sioux City (Iowa) Tribune, August 17, 1929]

The highly protected Steel Trust in its own operating affairs indulges in no sentimental consideration toward other American industries, especially toward those industries producing raw materials. It is the general aim and purpose of that trust to buy where it can buy the cheapest. If the general citizenship had the same privileges on steel products the abnormal earnings of steel trust insiders would be materially modified.

[New York City Telegram, September 9, 1929]

They are more than twice as prosperous this year as last, yet they would be among the largest beneficiaries of the present bill, both through tariff increases and through removal of the tariff on manganese ore, which they use.

[Aberdeen News, August 20, 1929]

The people of this State, through its representatives, should enter a vigorous protest against this unwarranted piece of political juggling.

[Providence (R. I.) Evening News, August 16, 1929]

Once again we see the hollowness of the Republican pretension that tariffs are made in the interest of the American workers. It would be absurd to say that the steel corporation needs the abolition of the duty in the face of the current business it is doing and the profits it is making. But when the Steel Trust wants more profits the Republicans see that it gets them.

Mr. ASHURST. Mr. President, I also desire to print a copy of an address of Dr. J. S. Grasty, consulting geologist and engineer of the University of Virginia, delivered at the American Manganese Producers' Association's second annual meeting September 9 of this year.

Mr. WALSH of Montana. Mr. President, speaking of the report of Doctor Grasty, what is the general tenor of his paper?

Mr. ASHURST. It is in support of the duty on manganese.

Mr. WALSH of Montana. I understand; but what does he say in general about it?

Mr. ASHURST. He is a skilled scientist, and I will read a few lines:

First, the attitude of the steel companies toward buying manganese ore produced in this country has been far from favorable.

He gives the reasons why, in his opinion, the manganese industry has not made the progress its antagonists and opponents say it should have made. The point is made by able opponents of the duty on manganese that that industry has had some years in which to show it may become a prominent industry but have not made such showing. I think that to-morrow we will be able to demonstrate that a showing has been made, and that with the recent discoveries in science and geophysical instruments remarkable progress has been made and will be made. Doctor Grasty deals with the subject from that viewpoint.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arizona?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

ADDRESS OF DR. J. S. GRASTY, CONSULTING GEOLOGIST AND ENGINEER OF THE UNIVERSITY OF VIRGINIA—SECOND ANNUAL CONVENTION, AMERICAN MANGANESE PRODUCERS' ASSOCIATION, WASHINGTON, D. C., SEPTEMBER 9, 1929

MANGANESE DEPOSITS IN VIRGINIA

Manganese deposits in Virginia are numerous. However, very few of the many known occurrences have been developed at all systematically. There are three outstanding reasons why this is the case:

First, the attitude of the steel companies toward buying manganese ore produced in this country has been far from favorable;

Second, like the sword of Damocles, there has hung over those interested in the development of manganese deposits the uncertainty of tariff protection. For the last two years this uncertainty has been very real indeed.

The third reason is because the other two reasons have had their effect and, consequently, it has been difficult to find capital in adequate amount to engage in the kind of necessary and slow exploration work required to convert what are now promising prospects into ore deposits of positive tonnage.

These are the main reasons why the development of manganese ore deposits in Virginia has been greatly retarded.

Manganese is found in Virginia in at least 24 counties. Deposits in 9 of these counties; namely, Warren, Page, Rockingham, Augusta, Rockbridge, Botetout, Pulaski, Wythe, and Smith, are found in the Blue Ridge area, and in total comprise 102 different prospects.

In the region of the Allegheny ridges 130 different prospects are known.

In the Blue Ridge area the various known deposits are distributed as follows:

Warren County	1
Page County	16
Rockingham County	9
Augusta County	13
Rockbridge County	2
Botetout County	8
Pulaski County	1
Wythe County	25
Smith County	28
Total	102

In the region of the Alleghenies, or in the western part of the State, the 130 known deposits in that section are distributed as follows:

Frederick County	5
Shenandoah County	19
Bath County	3
Alleghany County	5
Botetout County	4
Craig County	8
Montgomery County	1
Giles County	20
Giles and Bland Counties (Stange mine)	1
Bland County	30
Tazewell County	25
Russell County	4
Washington County	1
Scott County	3
Wise County	1
Total	130

In addition to those listed above there are many other manganese-ore prospects in Virginia, and it would be no exaggeration to state that the total exceeds 300.

The manganese deposits of the Blue Ridge area are associated in structural basins chiefly with the shady dolomite, while in the Alleghany area the more important occurrences are found at the horizon of the Oriskany, and both stratigraphically above and below that formation.

The genesis of the larger occurrences in each case is related closely to the nature of the folding. Broadly speaking, then, it may be observed that in searching for ore bodies of manganese in Virginia the structural relations found at the horizons just mentioned afford the key to where to prospect to best advantage. That must be followed, of course, by well directed and suitable exploration, guided chiefly by the character of the folding, if convincing evidence is to be had of positive tonnage.

The chief deposit so far known of the "residual type" of manganese ore occurrence in the Blue Ridge area is situated about 2 miles east of Crimora—a station on the Norfolk & Western Railway in Augusta County. This is known as the Old Dominion or Harman property, and has been in process of exploration by drilling for the past 14 months.

The total quantity of positive ore now definitely cut on three sides by this method—and over an area of approximately 12 acres—exceeds 600,000 tons. Furthermore, not one-tenth of the potential ore-bearing area of this syncline has been explored, and hence on a post hoc proper hoc basis the probable and possible ore may reach or approximate a total of some 6,000,000 tons. Obviously we can not say until the whole basin is drilled and the results achieved justify it—"Quod erat demonstrandum"—as to the probable and possible ore; nor can we state, until negative results have been obtained, that 6,000,000 tons may not be added to the present proved tonnage of positive ore on this

particular property; and this applies likewise to other unprospected areas where the geology is favorable for finding other deposits potentially large and as yet unexplored.

Although the exploration work on the Old Dominion, or Harman property, has been in process for the past 14 months and the presence of a large tonnage of ore has been demonstrated, yet, considering the great number of manganese prospects in Virginia, the amount of careful, systematic, and well directed exploration work done is almost negligible.

The largest deposit, so far developed, of the replacement type of manganese ore is situated in the Alleghany area at a distance of about 11 miles north of Woodstock, Va. This particular occurrence is in Mineral Ridge on Paddys Run and has been systematically explored and developed by J. Carson Adkerson and associates.

Mr. Adkerson's company—namely, the Hy-Grade Manganese Co.—has been engaged in the exploration and development of the well-known Mineral Ridge occurrence over a period of years.

At the present time the Hon. James W. Gerard, former ambassador to Germany, is also interested in the property. His thought regarding it, as he expressed it to me, was not a question of tonnage, as that had been convincingly demonstrated. He was concerned, however, with the question of how to market this, or any other American manganese ore, in view of the attitude of the steel companies.

The demonstrated tonnage on the Mineral Ridge property consists of over 300,000 tons of positive ore and over 800,000 tons of probable and possible ore. Therefore, if we add the positive ore on the Mineral Ridge property to that on the Old Dominion property, the total amounts to 900,000 tons, or about half of the total with which this country is credited, according to the statement widely attributed to Dr. George Otis Smith, Director of the United States Geological Survey. Hence, unfortunately, it has come about that many leading newspapers have been misled into stating that the quantity of manganese ore in America is negligible and hence also they have stated that the removal of the tariff on manganese will not hurt anyone. Is it any wonder, therefore, that the Finance Committee of the United States Senate by a majority vote (6 to 5) now proposes to put manganese ore on the free list?

But it is the duty of the American Manganese Producers Association to present an exact picture of the situation and this can be done in outline at least by contrasting the facts in the case with the well-known attitude of the steel companies.

1. Steel companies have stated that the quantity of manganese ore in America is negligible and admit that they themselves have no large manganese ore deposits in this country.

George Otis Smith, of the United States Geological Survey, is also quoted as saying—in support of the steel companies—that the manganese tonnage in the United States does not exceed a quantity sufficient to supply the steel companies for about two years. Hence, it is stated, that the removal of the tariff on manganese can do no injury to an industry which, it is claimed, does not exist.

2. Steel companies' clamor for the removal of the tariff on manganese has been increasing in its loudness, boldness, and insistency, directly and indirectly, for a long period, but particularly for the past two years. It has sought the removal of the tariff on manganese ore and an increase on its own products. The sudden and unexpected action of the Finance Committee of the United States Senate handed the steel companies the death warrant of the infant manganese industry and increased the tariff on steel products.

3. Senate's Finance Committee, after having gone on record for protection of manganese, is reported to have reversed itself immediately upon learning of award of Steel Co.'s contract for manganese ore to Soviet Russia. Contract with Domestic Manganese

The Tariff Commission has a report—not yet published—showing the potentialities of manganese ore development in this country are tremendous. Also, Carl Zapffe, geologist, of the Northern Pacific Railway Co., has refuted, in the Engineering and Mining Journal of March 9, 1929, in a manner unquestionably convincing, a statement that manganese ore tonnage in America is negligible. J. Carson Adkerson, president of the American Manganese Producers Association, considers it conservative to say that the quantity of manganese ore at present developed in America amounts, approximately, to 150,000,000 tons. Many different manganese mining companies are astounded to learn that they do not exist.

The removal of the tariff on manganese ore will probably junk the plants and mines of the manganese producers everywhere in America; consequently it is not surprising that they feel embittered. It has been estimated that the benefits enjoyed by the steel companies under the tariff on their own products since 1922 (now increased by the Finance Committee of the Senate) amount to the enormous total of \$4,000,000,000.

Domestic Manganese & Development Co., it is claimed, could alone supply the tonnage called for in the recent deal between the United States Steel Corporation and the Soviet producers. Bradley and other processes of concentrating low-grade ores actually provide

& Development Co., of Butte, Mont., for 72,000 tons per year was then canceled.

"In a secret session of the Republican Finance Committee members a few weeks ago, Senator HIRAM BINGHAM (Republican, Connecticut) voted for a duty of 1 cent a pound on ore containing 10 per cent manganese. Yesterday August 15, he was one of the two members of the committee who reversed their previous votes and put manganese on the free list. When asked why he changed, he said the White House advised it." (New York World, August 16, 1929.)

In the light of the "deadly parallel" just submitted, anyone must concede, I think, that the manganese producers have by far the better of the argument in every way—that justice is on their side; hence the threat of doing this infant industry great harm and great injustice should, and will, be thwarted.

The mine of the Hy-Grade Manganese Co. on Mineral Ridge and the Old Dominion Manganese Corporation, which is developing the Harman property east of Crimora, are not the only manganese operations in Virginia. Among others which should be mentioned are the United States Manganese Corporation, whose property is situated on Red Mountain; the Eureka mine, near Stanley, and the Stange mine on the Giles-Bland County line; but the Mineral Ridge and the Old Dominion properties were chiefly mentioned as types of deposits. Also systematic exploration has been carefully conducted on these two, and dependable estimates of their positive ore tonnage are available.

Since there are approximately 300 manganese prospects in Virginia, and since systematic development has given great value to two occurrences which were once but prospects, it is certainly fair to suppose that, under adequate tariff protection, Virginia alone might be able to supply the wants of the steel companies and other consumers of manganese ore for a quarter of a century or more.

Mr. ASHURST. I also have an address of Mr. John H. Cole, president of the Domestic Manganese Development Co., of Butte, Mont., which I ask to have printed at this place in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

ADDRESS OF JOHN H. COLE, PRESIDENT DOMESTIC MANGANESE & DEVELOPMENT CO., BUTTE, MONT.—SECOND ANNUAL CONVENTION AMERICAN MANGANESE PRODUCERS' ASSOCIATION, WASHINGTON, D. C., SEPTEMBER 9, 1929

I represent the Domestic Manganese & Development Co., of Butte, Mont. As you know, on March 15, 1928, my company started the first large-scale operation in producing sintered manganese ore in this country. I will not take time to describe our process, because that has been done already several times and is now a matter of record.

We produced in the year of 1928 approximately 12,000 tons of sintered manganese ore of a grade approximating 57 per cent manganese. All of this material was shipped to steel companies in the East.

On February 15 of this year we started one of our kilns and since that time we have been operating continuously. For the past six weeks we have been in full production with a 2-kiln operation and sincerely hope to continue at this rate for the remainder of the year. Since February 15 of this year we have shipped 19,000 tons, and if nothing unforeseen happens our total production for this year will be 43,000 tons. However, we are equipped to produce and to ship 70,000 to 75,000 tons per year of manganese ore which will analyze 56 per cent Mn and higher, provided a market can be secured.

I was interested in reading recently of a contract which it is reported was signed by the United States Steel Corporation with the Russian Government for what was considered by the newspapers as a tremendous tonnage of ore. It might interest you, gentlemen, to know that I am confident that if given a firm contract, a fair price, and the protection of a tariff we could fill the minimum requirements of this contract with our present equipment, and we could fill the maximum of this contract upon three months' notice.

It is important to state, on no less authority than the Anaconda Copper Mining Co., that a successful flotation process has been worked out which promises applicable to the low-grade carbonate ores, which process will allow us to offer to the American market a product containing more than 60 per cent manganese and less than 7 per cent

silica, with the added result of increasing many times the known reserve of carbonate ores in this district.

With the high freight rate from Montana to the consuming centers of the East the tariff makes the difference between our success and failure. The situation which confronts us at the present time in Washington, with our product on the free list, is a serious one indeed and it does not take an expert to figure the way our business will go. This state of affairs must change if we are allowed to operate after our present contracts are filled, and I for one have every confidence that justice will prevail and the protection requested in Senator ODDIE's amendment will be forthcoming.

Mr. ASHURST. I also ask to have printed in the RECORD an address of Dr. K. M. Leute, president of the General Manganese Corporation of Detroit, Mich.

There being no objection, the address was ordered to be printed in the RECORD as follows:

ADDRESS OF K. M. LEUTE, PRESIDENT GENERAL MANGANESE CORPORATION, DETROIT, MICH.—SECOND ANNUAL CONVENTION AMERICAN MANGANESE PRODUCERS ASSOCIATION, WASHINGTON, D. C., SEPTEMBER 9, 1929

I wish to take this opportunity on behalf of the company I represent, the General Manganese Corporation of Detroit, of complimenting the officers of the American Manganese Producers Association on their splendid efforts in promoting the welfare of the domestic manganese industry.

Our own property is in South Dakota. Some two years ago manganese deposits extending along the Missouri River at Chamberlain, S. Dak., were brought to our attention. A search of Government and State geological bulletins failed to give any information concerning manganese in this district. However, we made a thorough investigation.

The results of our survey were so encouraging we acquired by purchase or lease 107,000 acres of land. On this property is found a very definite horizon of approximately 40 feet in depth in which is embedded a manganese carbonate ore in the form of nodules. The ratio is about 1 ton of ore nodules to 10 cubic yards.

Upon about 50,000 acres nature has eroded the overburden so that the surface of the land is the top of 40-foot ore body, making it possible to use cheap, open-pit mining methods.

Eight months of field work, including the sinking of many test pits, has proven this deposit contains, susceptible to open-pit mining, over 50,000,000 tons of manganese carbonate ore analyzing from 14 to 20 per cent metallic manganese but averaging better than 16 per cent. If consideration is given to the ore that would be available after stripping, this 50,000,000 tons would be increased many times.

Reports from three competent engineers have been obtained to substantiate these figures.

Our company, about nine months ago, started extensive research work to develop the best methods of beneficiating this particular ore to a higher manganese content.

In this we have been successful and are now in possession of a process that enables us to beneficiate this low-grade ore to a product containing approximately 70 per cent manganese, 29 per cent oxygen, and less than 0.01 per cent phosphorus.

With any assurance of a price of around 65 cents a unit at the furnaces, which can be expected under Senator ODDIE's amendment, we expect our property to shortly become an important producer of this raw material.

It has been estimated our deposit alone is capable of supplying one-third of our domestic consumption of manganese for 100 years.

Mr. ASHURST. Mr. President, I now ask the attention of the senior Senator from Montana [Mr. WALSH] for a moment. I have here an address of Mr. Daley, and, I believe, if my memory serves me correctly, the Senator included that in the RECORD some weeks ago.

Mr. WALSH of Montana. It was inserted in the RECORD.

Mr. ASHURST. Then I will not ask that it be inserted again.

Mr. WALSH of Montana. It will be found in the RECORD.

Mr. ASHURST. Mr. President, I heard the able address of the junior Senator from Nevada [Mr. ODDIE], which reviewed the history of the manganese industry, and his address I consider a masterpiece on this particular subject. I ask him if he included in the RECORD the addresses of Mr. Fred D. Devaney and Mr. J. Bruce Clemmer, of the United States Bureau of Mines?

Mr. ODDIE. I have just referred to brief extracts from those addresses, and I think it would be a very excellent thing to have them printed in full in the RECORD.

Mr. ASHURST. I ask permission to have them printed in the RECORD at this juncture.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

ADDRESSES OF FRED D. DE VANE¹ AND J. BRUCE CLEMMER,² UNITED STATES BUREAU OF MINES, ROLLA, MO.—SECOND ANNUAL CONVENTION AMERICAN MANGANESE PRODUCERS ASSOCIATION, WASHINGTON, D. C., SEPTEMBER 10, 1929

FLOTATION OF CARBONATE AND OXIDE MANGANESE ORES³
Introduction

The steel industry is the largest single consumer of manganese. The battery and ceramic industries also use an appreciable tonnage each year. The consumption of our own industries is far in excess of our domestic production. This can in part be attributed to the fact that although there are large tonnages of manganese oxide ores in the United States a relatively small part of these ores is of a grade sufficient to meet the requirements of the industry without preliminary concentration. An economical and efficient means of concentrating the low-grade oxide ores would greatly augment our domestic production and reserves.

During the past 14 months the United States Bureau of Mines, in cooperation with the Missouri School of Mines and Metallurgy, has carried on at its Mississippi Valley Experiment Station at Rolla, Mo., an extensive investigation of the manganese ores of the country. Over a hundred ores from all parts of the United States have been examined and studied to determine their amenability to concentration by gravity processes, such as jigging, tabling, and magnetic methods.⁴ In addition to determining the results which could be obtained on these ores by the older well-known methods of gravity and magnetic concentration an endeavor has been made to improve these old methods and to devise new means of treating ores efficiently which can not be milled economically by the methods now in use. One of the outstanding developments of this study has been the application of the flotation process to both the carbonate⁵ and oxide ores.

As many of you know, the development of the flotation process has revolutionized the manner of milling the sulphide metallic ores of this country and of the world as a whole. Mr. A. J. Weinig, director of the experimental plant at the Colorado School of Mines and an authority on the flotation process, says:

"The flotation process is undoubtedly the most important development in the recovery of metals from ores that has taken place during the present century. No other method of ore treatment has ever effected such great changes in metallurgical practice in so short a time. This is indicated by the numbers and importance of the companies now using the process, the tonnage and variety of the ores handled, the grade of concentrates, and the high recoveries of the metals contained in the ores. In point of tonnage treated, flotation is at present leading all other methods of ore concentration."⁶

According to Gaudin,⁷ 50,000,000 tons of ore is being treated annually by the flotation process. This is a tonnage of ore greater than that treated by any other metallurgical process, with the single exception of the blast-furnace smelting of iron ores.

The foregoing statement regarding the flotation process refers to the treatment of ores in which the metals are present in the native state or as sulphides, arsenides, antimonides, tellurides, or selenides, and to some of the copper and lead carbonates. Until a few years ago it was thought that the flotation process had no application to ores in which the metal occurred in any other state of combination than those stated. However, during the past five years research work conducted by the United States Bureau of Mines and its cooperating agencies at Salt Lake City, Utah; Tuscaloosa, Ala.; Rolla, Mo.; and by commercial firms has shown that many of the nonmetallic minerals, such as phosphate rock,⁸ fluor spar,⁹ and bauxite¹⁰ and limestone can be successfully separated from their gangue minerals by flotation. To this list we now wish to add the manganese carbonate, rhodochrosite, and the manganese oxides, pyrolusite, psilomelane, and manganite.

Mr. Weinig says, "The flotation process may be described as follows: In the first place, finely divided ore is agitated in water containing bubbles of air or gas and a small amount of one or more reagents. The latter may be soluble, partly soluble, or almost insoluble in water. In most cases at least one of the reagents is an oil or oily substance. Under these conditions the small particles of the so-called floatable minerals show a tendency to attach themselves to the films of the bubbles, which then carry the particles to the surface of the water. The minerals that are difficult to float have a weaker affinity for the films of the bubbles, are more easily wetted by the water, and, to a great extent, remain either in suspension in the water or sink to the bottom of the vessel. If the bubbles produced are sufficiently stable they can be removed, carrying their load of mineral particles with them."¹¹

Ores in which there is but a slight difference of specific gravity between mineral and gangue do not respond readily to separation by gravity-concentration methods such as jigging and tabling. Flotation, depending as it does on other physical properties than that of specific gravity, is especially applicable to ores of this type. In many ores the mineral and gangue are locked at the tabling and jigging sizes commonly employed. This locking defeats separation by gravity methods. Upon grinding these ores to flotation size they are in many cases fairly well liberated, making possible a fair separation by flotation. Ores containing soft manganese minerals, such as pyrolusite, slime badly when treated on jigs and tables, and much of the mineral is lost in the slime. This slime forms an ideal flotation feed and lends itself well to the process.

Acknowledgments

The authors wish to acknowledge the assistance of Will H. Coghill, supervising engineer of the station, under whose direction the work was done, and the cooperation of the American Manganese Producers Association, who have kindly furnished us with samples of their ores.

Flotation of rhodochrosite

The Butte area of Montana contains large quantities of manganese ore in the form of the carbonate ore, rhodochrosite, which is associated with rhodonite quartz, and small quantities of lead and zinc in the form of sulphides. The Domestic Manganese & Development Co. is at present working a deposit at the Emma mine where it mines the high-grade ore which is calcined to produce a very high-grade concentrate. In addition to the ore that is susceptible to treatment by this method, there are large tonnages of lower-grade ore which because of its complexity must be concentrated before calcination if a high-grade product is to be produced. It has been estimated that the Butte district contains at least 2,000,000 tons of carbonate ore.

In addition to the Butte deposits of the carbonate ore there seems to be little question that at depth in the Philipsburg district, Montana, large amounts of the carbonate of manganese will be encountered. Smaller bodies of carbonate ore are known to occur near Sevierville, Tenn., and near West Cummington, Mass.

Due to the size of the Emma mine ore body at Butte, most of the research work done at Rolla on carbonate ore has been on ore from this property. A representative sample of the ore requiring concentration at this mine was obtained and was found to be about one-half quartz; some lead, zinc, and iron sulphides were also present. The rhodochrosite amounted to nearly 40 per cent of the sample, so that the sample had a tenor of about 20 per cent manganese. The ore sample was taken across a 45-foot vein, no portion of which could be mined to produce a high-grade ore; that is, one containing 36 per cent or more manganese.

After a number of experiments a satisfactory method of concentrating this ore by flotation was worked out. Briefly, the procedure consists of grinding the ore to approximately 100 mesh and then treating the ore in a mechanical type of flotation machine. The major part of the sulphides in the ore are readily removed by the use of a small amount of xanthate, copper sulphate, and pine oil. The rhodochrosite is then floated by the addition of sodium oleate and pine oil. The quartz in the ore is little affected by the reagents added, and most of it passes into the tailing. The rougher concentrate, consisting of rhodochrosite and some entrained quartz, is cleaned by being refloated in a flotation cell.

The sulphide concentrate made on a typical run had a tenor of 8.1 per cent lead, 18.4 per cent zinc, 21.3 per cent iron, and 3 per cent manganese. Less than 1 per cent of all the manganese was entrained in the sulphide concentrate. The by-product value of this sulphide concentrate was not investigated, but due to its lead and zinc content it should be salable enough to yield a revenue of some importance.

The cleaner concentrate made by flotation contained 67.7 per cent of all the manganese and assayed 41.55 per cent manganese. The rougher tailing had a tenor of less than 5 per cent manganese and contained 10.8 per cent of the total manganese in the sample. The cleaner tailing or middling had a tenor of 27.35 per cent manganese and represented 31.7 per cent of the total manganese in the feed. In plant operation the amount of manganese recovered in the concentrate is increased by

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³ Presented by permission of the Director U. S. Bureau of Mines. (Not subject to copyright.)

⁴ De Vane, F. D., and Coghill, W. H., Beneficiation of Oxidized Manganese Ores by Magnetic Separation of Roasted Jig Concentrates. Reports of Investigations 2936, Bureau of Mines, 1929, 4 pp.

⁵ De Vane, F. D., and Coghill, W. H., Preliminary Ore-Dressing Tests to Recover Manganese in Rhodochrosite Ores. Reports of Investigations 2902, Bureau of Mines, 1928, 4 pp.

⁶ Weinig, A. J., and Palmer, I. A., The Trend of Flotation. Colo. School of Mines Quarterly, vol. 23, No. 2, April, 1928.

⁷ Gaudin, A. M., Consumption of Reagents Used in Flotation. Repts. of Investigations 2931, Bureau of Mines, 1929, 17 pp.

⁸ Lawrence, H. M., and De Vane, F. D., Flotation of Low-Grade Phosphate Ores. Repts. of Investigations 2860, Bureau of Mines, 1928, 4 pp.

⁹ Coghill, W. H., and Greeman, O. W., Flotation of Fluor spar Ores for Acid Spar. Repts. of Investigations 2877, Bureau of Mines, 1928, 3 pp.

¹⁰ Gandrud, D. W., and De Vane, F. D., Preliminary Examination of Low-Grade Bauxite with Particular Reference to Flotation. Repts. of Investigations 2906, Bureau of Mines, 1928, 8 pp.

¹¹ Gandrud, D. W., and De Vane, F. D., Bauxite: Float-and-Sink Fractionations and Flotation Experiments. Bull. 312, Bureau of Mines. In press.

¹² Weinig, A. J., and Palmer, I. A., op. cit.

part of the manganese in the cleaner tailing or middling; individual tests have shown that this product is amenable to further cleaning. The finished concentrate contained 6.9 per cent insoluble matter, while the rougher tailing was 89.8 per cent insoluble. This result shows a decided selectivity.

The reagents used in the above tests and their cost per ton of feed are as follows:

Copper sulphate, 0.5 pound, at 18 cents per pound	\$0.10
Sodium ethyl xanthate, 0.2 pound, at 17 cents per pound	.04
Pine oil, 0.4 pound, at 10 cents per pound	.04
Crude sodium oleate, 1 pound, at 7 cents per pound	.07
Total	.25

As has been said, the sample is about one-half quartz, and quartz is very hard to grind. If a part of the quartz could be removed by gravity concentration before grinding to flotation size, the cost of grinding would be reduced and the enriched flotation feed thus obtained would be more amenable to cleaning.

A sample was accordingly ground to 10 mesh and classified into 10 spigots and an overflow product. One of the intermediate spigot products was tabled. The specific gravity of rhodochrosite is 3.6; that of quartz is about 2.65. The relative densities indicate that a separation should be obtained. Two obstacles to gravity concentration are the fine dissemination of the quartz in the rhodochrosite and the interlocking of the sulphides and quartz. This interlocking is very troublesome, because some of the composite grains have the same density as rhodochrosite. Crushing to 10 mesh is too coarse to liberate the minerals, though it might be economically feasible.

On this ore it was not possible to make a merchantable concentrate by tabling, but approximately 55.3 per cent of the quartz may be rejected, with a loss of 12.4 per cent of the manganese. In good commercial operation the same amount of rejection would be expected, with a loss of from 5 to 10 per cent manganese. Tabling would also make an appreciable recovery of sulphides. Apparently the most efficient and economical way to concentrate this ore would be to crush to 10 mesh, classify, table, and reject the clean quartz; the ore would then be crushed to flotation size and floated.

Flotation is sometimes erroneously regarded as the process that will do all things; it should be regarded as "a" process rather than "the" process. Good milling consists in the intelligent linking together of the economic combination of processes. Of course simplicity is desirable, and a single process gives the most simple flow sheet, but combinations must be given consideration. The goal is conservation at a profit.

In the concentration of rhodochrosite ores which contain the manganese silicate, rhodonite, the flotation process has decided advantages over straight gravity and high-intensity magnetic processes. Rhodonite, being a silicate, must be largely eliminated from the manganese concentrate since its presence tends to make the silica content too high to permit the product to be used for the manufacture of ferromanganese. The specific gravities of rhodochrosite and rhodonite are so close together as to make it impossible to make a good separation between them by tables. An interesting result of the research work on manganese ores done at Rolla was the discovery that all the manganese minerals studied, whether oxides, carbonates, or silicates, are attracted by a high-intensity magnetic current. In the case of rhodonite and rhodochrosite the magnetic permeabilities are so nearly alike that it is impossible to make a differentiation between them. Flotation experiments made on ores containing rhodochrosite and rhodonite have definitely proved that a good separation can be made by this process. The rhodochrosite floats while the silicate—rhodonite—goes into the tailing.

Flotation of manganese oxides

The oxide manganese ores of this country and of the world as a whole supply to the industries the major part of its manganese requirements. Only a few of these ores can be used without concentration. However, the low-grade oxide ores are in general amenable to gravity-concentration methods. Little difficulty is encountered in the concentration of clean ores; nevertheless, many ores, due to their physical make-up, yield low-grade concentrates with a low or only medium high recovery. Particular attention has therefore been given these difficult ores in the Bureau of Mines investigation, since they are of the type which can best be treated by flotation.

In attempting to apply the flotation process to the oxide manganese ores, a considerable amount of work has been done on a large variety of so-called difficult ores from various localities. In this class are included those ores in which the manganese present is in a soft condition and which would be lost in the slime should jigging and tabling be employed for their concentration. Log-washer overflows, which now go to waste, in many cases contain an appreciable amount of manganese which can be recovered by flotation.

Preliminary tests on the oxide ores gave definite indications that the oxide minerals are floatable. A series of tests was carried on in which a satisfactory method of concentrating the ore was worked out. Briefly the procedure is as follows:

The ore is given a preliminary reduction by being passed through a jaw crusher and rolls; this crushed product is then ground in an abbe mill through 100 to 150 mesh. The ground ore is treated in a mechan-

ical type flotation machine. The rougher concentrate, consisting mainly of the mineral and some free gangue, is cleaned by re-floating in the flotation cell.

The results of a typical test on a soft ore in which the manganese mineral is primarily pyrolusite is as follows:

From the ore which contained 25.3 per cent manganese and 54 per cent insoluble material, a finished concentrate was produced which contained 56 per cent manganese and accounted for over 91 per cent of the total manganese in the sample. The rougher tailing, which is discarded, had a tenor of less than 2 per cent manganese—less than 4 per cent of the total manganese. The cleaner tailings, or middlings, had a tenor of 16.7 per cent manganese and accounted for approximately 5 per cent of the total manganese. In the plant the cleaner tailing, or middling, would be returned to the flotation machine, with the result that the manganese which it contains would eventually be recovered. By following this method, over 96 per cent of the total manganese in the sample is recoverable by flotation. The finished concentrate contained 4 per cent of insoluble material and accounted for only 3 per cent of the total insoluble material in the sample. This shows that by flotation over 96 per cent of the manganese in the sample is recoverable in a concentrate, whereas 97 per cent of the insoluble or gangue material is rejected. The iron content of this sample was low and was not considered.

The reagent charge, figured on the basis of cost per ton of ore, is as follows:

Pine oil, 0.12 pound, at 10 cents per pound	\$0.12
Oleic acid, 0.21 pound, at 10 cents per pound	.021
Sodium silicate, 2.50 pounds, at 1.5 cents per pound	.040
Sodium carbonate, 2.50 pounds, at 2 cents per pound	.050
Total	.123

The above combination of reagents was satisfactory on all ores which have been tested. The quantity of the individual reagent required varies somewhat with the ore treated, but is not far from the figures given in the foregoing charge. Other reagents of similar characteristics to those given have been investigated. With certain ores palmitic acid gives slightly better results than oleic acid. For best results the reagent charge must be adapted to each ore treated.

A point which may be well brought out at this time is the effect of temperature upon the flotation of manganese oxides. When the fatty acids, such as oleic, stearic, or palmitic, are used as collectors, it has been found that heating the pulp to a temperature exceeding the melting point of the acid decreases the amount of reagent required and materially speeds up the flotation process. The grade of the concentrates and the recovery is improved by floating in a hot pulp. It has been found that a high pulp density is also beneficial in improving the results.

A considerable amount of difficulty has been experienced in applying the flotation process to ores which contain large amounts of iron present as limonite. The limonite slimes badly on grinding and can only be partly eliminated in the process. Clay slime, such as is found in log-washer overflows, presents a similar problem. In the presence of large amounts of slime, either iron or clay, only fair-grade concentrates can be produced. This phase of the problem is receiving considerable attention at the present time.

Those well versed in flotation know that many pitfalls exist between laboratory results and commercial performance. The hazard may be reduced by making miniature mill runs subsequent to the laboratory work. Laboratory work has an important place; if selectivity is not manifested in the laboratory, further work on a large scale is useless, but satisfactory laboratory results do not assure the subsequent steps. Laboratory flotation is only one step in the development of the process. Mill runs may be made in commercial laboratories; they constitute the second step. Reducing the hazard by proceeding with caution is urged.

We feel that the employment of the flotation process in the concentration of manganese ores offers great possibilities. The process is especially applicable to the concentration of the carbonate ores. With oxide ores its application should be especially valuable in concentrating those ores requiring fine grinding, if a high-grade product is to be made, and in handling ores containing soft manganese minerals which slime badly, causing excessive losses if an attempt is made to jig or table them.

Within the last two years successful commercial plants have been erected for floating nonmetallics; one of these plants is concentrating phosphate ores and the other is making a very high-grade concentrate from fluor spar ores. We are confident that at no far distant date flotation plants working on manganese ores will be in operation in this country, and that the adoption of this process will result in increasing the manganese reserves of the country and in more efficient plant operation to the producers. Low-grade and complex ores can be treated by this process; higher recoveries will be made in the mills because of the recovery of the soft manganese minerals which under present methods are largely lost in the slimes.

EXECUTIVE SESSION

Mr. JONES. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER (Mr. Fess in the chair) laid before the Senate a message from the President of the United States nominating Sheldon Whitehouse, of New York, to be envoy extraordinary and minister plenipotentiary of the United States of America to Guatemala, which was referred to the Committee on Foreign Relations.

COURT OF CLAIMS

The legislative clerk read the nomination of Benjamin H. Littleton to be judge of the Court of Claims.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and the President will be notified.

TREASURY DEPARTMENT

The legislative clerk read the nomination of Walter E. Hope to be Assistant Secretary of the Treasury.

The PRESIDING OFFICER. Without objection, the nomination is confirmed, and the President will be notified.

POST-OFFICE NOMINATIONS

The legislative clerk proceeded to read the nominations of sundry postmasters.

Mr. PHIPPS. Mr. President, I call the attention of the Senator from Montana to the nomination for postmaster at Dillon, Mont.

Mr. WALSH of Montana. I ask that the nomination of the postmaster at Dillon, Mont., go over. I want to present that matter to the Senate.

Mr. PHIPPS. That is why I called it to the Senator's attention, in order that he might do so.

Mr. WALSH of Montana. I thank the Senator.

Mr. PHIPPS. I have no objection to that nomination going over. With that exception, I ask that the postal nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed, and the President will be notified.

PROMOTIONS IN THE NAVY

The legislative clerk proceeded to read sundry nominations for promotions in the Navy.

Mr. HALE. I ask that the nominations be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations are confirmed, and the President will be notified.

MARINE CORPS

The legislative clerk proceeded to read sundry nominations for promotions in the Marine Corps.

Mr. HALE. I make the same motion in regard to those.

The PRESIDING OFFICER. Without objection, the nominations are confirmed, and the President will be notified.

RECESS

Mr. JONES. Mr. President, as in legislative session, and pursuant to the unanimous-consent agreement, I move that the Senate take a recess until to-morrow at 10 o'clock.

The motion was agreed to; and the Senate (at 5 o'clock and 50 minutes p. m.), under the order previously entered, took a recess until to-morrow, Thursday, November 7, 1929, at 10 o'clock a. m.

NOMINATIONS

Executive nominations received by the Senate November 6 (legislative day of October 30), 1929

ENVOY EXTRAORDINARY AND MINISTER PLENIPOTENTIARY

Sheldon Whitehouse, of New York, now a Foreign Service officer of class 1, and a counselor of embassy, to be envoy extraordinary and minister plenipotentiary of the United States of America to Guatemala.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 6 (legislative day of October 30), 1929

JUDGE OF THE COURT OF CLAIMS

Benjamin H. Littleton.

ASSISTANT SECRETARY OF THE TREASURY

Walter E. Hope.

PROMOTIONS IN THE NAVY

George S. Bryan to be captain.

Frank L. Worden to be lieutenant commander.

Conrad L. Jacobsen to be lieutenant commander.

Kenneth Floyd-Jones to be lieutenant commander.

Herschel A. Smith to be lieutenant.

Howard E. Orem to be lieutenant.

David B. Justice to be lieutenant.

Charles O. Humphreys to be lieutenant.

Thomas J. McGeoy to be lieutenant (junior grade).

John M. Taylor to be lieutenant (junior grade).

Robert B. Goldman to be lieutenant (junior grade).

Robert R. Johnson to be lieutenant (junior grade).

Fondville L. Tedder to be lieutenant (junior grade).

Hugh D. Black to be lieutenant (junior grade).

Nelson M. Parry to be lieutenant (junior grade).

Paul R. Stalnaker to be medical director.

Herbert L. Kelley to be medical director.

Henry L. Dollard to be medical director.

Kent C. Melhorn to be medical director.

Fred E. McMillen to be pay director.

Lloyd H. Thomas to be assistant paymaster.

Herbert S. Howard to be naval constructor.

Lee S. Border to be naval constructor.

Fred Michaelis to be chief boatswain.

Kenneth C. Ingraham to be chief boatswain.

Henry M. Brun to be chief boatswain.

William M. Coles to be chief gunner (to correct the date of rank as previously nominated and confirmed).

Roderick C. Outten to be chief pay clerk.

James D. Turnbull to be chief pay clerk.

Albert F. Billy to be chief pay clerk.

Edwin C. Millard to be chief pay clerk.

Herman Schub to be chief pay clerk.

Andrew L. Frelinger to be chief pay clerk.

Gale A. Poindexter to be lieutenant commander.

John J. Morony to be lieutenant (junior grade).

Charles N. Day to be lieutenant (junior grade).

Burnham C. McCaffree to be lieutenant (junior grade).

Thomas R. Langley to be lieutenant (junior grade).

William W. Anderson, jr., to be assistant naval constructor.

James H. Rodgers to be assistant naval constructor.

Oscar Stiegler to be assistant naval constructor.

Francis X. Forest to be assistant naval constructor.

George C. Weaver to be assistant naval constructor.

Frederick J. Scheel to be chief pay clerk.

Robert L. Ghormley to be captain.

Percy W. Northcroft to be commander.

Douglas P. Stickley to be lieutenant.

John E. French to be lieutenant.

George E. Palmer to be lieutenant.

Emory P. Hylant to be lieutenant.

Valvin R. Sinclair to be lieutenant.

Augustus D. Clark to be lieutenant.

John F. Greenslade to be lieutenant (junior grade).

Louis E. Gunther to be lieutenant (junior grade).

MARINE CORPS

Smedley D. Butler to be major general.

Logan Feland to be major general (temporary).

Robert H. Dunlap to be brigadier general.

POSTMASTERS

IOWA

Lucy A. Moore, Marble Rock.

Melvin A. Smith, Meservey.

KANSAS

Edward Buehler, Wilson.

MASSACHUSETTS

Arthur E. Sears, Ashby.

MICHIGAN

Freeman G. Hall, Martin.

Florence E. Young, Newberry.

MISSOURI

Rudolph J. Renneberg, Gray Summit.

NEBRASKA

Esther A. Carlson, Mead.

Gordon H. Cary, Minatare.

NEW MEXICO

Bertha R. Yessler, Nara Visa.

NEW YORK

Charles E. Watson, Johnson City.

Roy C. Clark, Larchmont.

OKLAHOMA

Edward Pennington, Commerce.

PENNSYLVANIA

Bertha M. Harter, Mocanaqua.

TENNESSEE

Horton Fuson, Cumberland Gap.
Edna R. La Fan, Iron City.

UTAH

Etta Moffitt, Kenilworth.
Erastus R. Curtis, Orangeville.

WEST VIRGINIA

Walter A. Sherwood, Flemington.
Otto E. Kessler, Nitro.

WYOMING

Herbert E. Wise, Basin.

SENATE

THURSDAY, November 7, 1929

(Legislative day of Wednesday, October 30, 1929)

The Senate met at 10 o'clock a. m., on the expiration of the recess.

THE JOURNAL

Mr. JONES. Mr. President, I ask unanimous consent that the Journal for the calendar days from October 30 to November 6, inclusive, may be approved.

The VICE PRESIDENT. Without objection, it is so ordered.

CALL OF THE ROLL

Mr. FESS. Mr. President, I suggest the absence of a quorum.
The VICE PRESIDENT. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Allen	Fletcher	Kendrick	Simmons
Ashurst	Frazier	Keyes	Smoot
Barkley	George	La Follette	Steck
Bingham	Gillett	McKellar	Steiger
Black	Glass	McNary	Stephens
Blease	Goff	Metcalf	Swanson
Borah	Goldsborough	Moses	Thomas, Idaho
Bratton	Greene	Norbeck	Thomas, Okla.
Brock	Hale	Norris	Townsend
Brookhart	Harris	Nye	Trammell
Broussard	Harrison	Oddie	Tydings
Capper	Hastings	Overman	Vandenberg
Connally	Hatfield	Patterson	Wagner
Copeland	Hawes	Phipps	Walcott
Couzens	Hayden	Pine	Walsh, Mass.
Cutting	Hebert	Pittman	Walsh, Mont.
Dale	Heflin	Ransdell	Waterman
Deneen	Howell	Reed	Wheeler
Dill	Johnson	Sackett	
Edge	Jones	Sheppard	
Fess	Kean	Shortridge	

Mr. WALSH of Montana. The Senator from Arkansas [Mr. CARAWAY] and the Senator from Wisconsin [Mr. BLAINE] are absent in attendance upon the subcommittee of the Judiciary Committee engaged in an investigation of lobbying activities.

Mr. SHEPPARD. I wish to announce that the junior Senator from Utah [Mr. KING] is detained from the Senate by reason of illness.

The VICE PRESIDENT. Eighty-one Senators have answered to their names. A quorum is present.

PETITIONS AND MEMORIALS

Mr. SHORTRIDGE presented petitions of sundry citizens of the State of California, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which were referred to the Committee on Pensions.

Mr. GILLETT presented a petition of sundry citizens of the State of Massachusetts, praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. TYDINGS presented a petition of sundry citizens of Baltimore, Md., praying for the passage of legislation granting increased pensions to Civil War veterans and their widows, which was referred to the Committee on Pensions.

Mr. DILL presented petitions numerously signed by sundry citizens of the State of Washington, praying for the passage of legislation requiring the registration of aliens, which were referred to the Committee on Immigration.

Mr. HOWELL presented a resolution adopted by the executive board of the Nebraska Farm Bureau Federation, opposing the imposition of any tariff duties upon manufactured lumber products or logs, which was ordered to lie on the table.

He also presented the following memorial of the Nebraska House of Representatives, which was ordered to lie on the table:

Resolution of Nebraska Legislature

Resolution relating to the proposed tariff on lumber, shingles, and logs. (Introduced by Robert Newton, C. O. Johnson, E. M. Neubauer, Guy A. Brown, Walter M. Burr, J. Pedrett, W. T. Parkinson)

Whereas the Congress of the United States is being asked to place a tariff upon lumber, shingles, and logs; and

Whereas we are now enjoying duty-free lumber; and

Whereas the farmers, rural home owners, and industrial enterprises of the State of Nebraska are large consumers of forest products; and

Whereas a duty upon forest products would tend to nullify our efforts toward a conservation and reforestation program; and

Whereas any increase in the tariff on products consumed by the farmers is not in accord with any proposed program for agricultural equality: Now, therefore, be it

Resolved by the House of Representatives of the State of Nebraska, That we memorialize the Congress of the United States to refrain from enacting any revenue provision placing a tariff upon imports of lumber, shingles, and logs; and, therefore, be it finally

Resolved, That certified copies of this resolution be sent by the secretary of state to the Speaker of the House of Representatives and the President of the Senate, to the chairman and members of the Ways and Means Committee of the House, and to the chairman and members of the Finance Committee of the Senate, and to each of the Nebraska delegation in Congress.

The foregoing resolution was passed by the House of Representatives, forty-fifth session, Nebraska Legislature, the date above written.

(Signed)

FRANK P. CORRICK,

Chief Clerk of the House.

LINCOLN, NEBR., March 27, 1929.

Mr. LA FOLLETTE. Mr. President, I present memorials of the Council of Agriculture, the Farm Bureau Federation, the State Grange, and the State Horticultural Society, all of the State of Wisconsin, remonstrating against the proposed tariff on lumber and lumber products from Canada, which I ask may be printed in the RECORD and lie on the table.

There being no objection, the memorials were ordered to lie on the table and to be printed in the RECORD, as follows:

WISCONSIN COUNCIL OF AGRICULTURE,
Madison, Wis., March 19, 1929.

The Wisconsin Council of Agriculture wishes to voice its protest against the proposed tariff on lumber and lumber products from Canada.

Our position has been determined after careful study of both sides of the question and we find that the tariff is unwarranted.

Therefore we earnestly request that our views be given consideration by the Congress of the United States.

GEORGE NELSON,
President Wisconsin Council of Agriculture.
HERMAN IHDE,
Secretary Wisconsin Council of Agriculture.

The Wisconsin Council of Agriculture is composed of the following organizations, together with their representatives:

Herman Ihde, master Wisconsin State Grange; George Nelson, president American Society of Equity; Hugh Harper, Wisconsin Farm Bureau Federation; C. G. Huppert, secretary-treasurer Wisconsin Farm Bureau Federation; W. S. Witte, president Madison Milk Producers'; J. C. Johnson, secretary Wisconsin Tobacco Pool; W. W. Woodward, president Wisconsin Cooperative Creameries; R. J. Schafer, Wisconsin State Grange; William Hutter, National Cheese Producers' Federation; Frank Swoboda, National Cheese Producers' Federation; Charles Dineen, secretary Milwaukee Milk Producers' Association; J. J. Lamb, Equity Livestock Sales Association; Paul Hemmey, secretary Educational Cooperative Farmers' Union; Herman Ullsperger, general manager Wisconsin Fruit Growers' Association.

Resolution

Whereas the supply of lumber grown in the United States is steadily decreasing and the demand by the farmers for lumber, shingles, poles, and posts represents an increasing larger per cent of total consumption for these products; and

Whereas any curtailment of supply or raise of prices will result in increasing costs to the agricultural industry; and

Whereas the importation of Canadian lumber operates to save our fast diminishing supply, and for that reason is in accordance with the sound theory of conservation of forests; and

Whereas the tariff on lumber from Canada would increase the price of our lumber products in this country for the benefit of a small lumber group in the northwestern part of the United States: Therefore be it

Resolved, That the Wisconsin Farm Bureau Federation records here in its opposition to any tariff on lumber and shingles from Canada; and be it further

Resolved, That copies of this resolution be sent to members of the Ways and Means Committee and to Members of Congress from Wisconsin, and to members of the Finance Committee of the United States